



# ***Daily Report***

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## **China**

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# Daily Report China

FBIS-CHI-94-183

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## General

### Government 'Resolutely Supports' Biological Weapons Ban

OW2009170394 Beijing XINHUA in English 1643  
GMT 20 Sep 94

[Text] Geneva, September 20 (XINHUA)—China resolutely supports the ban on biological weapons by faithfully and comprehensively implementing its obligations under the Biological Weapons Convention, a senior Chinese official said here today.

Hou Zhitong, head of the Chinese delegation to a special conference of the states parties to the Convention on the Prohibition of Biological Weapons, made the remarks on Tuesday [20 September]. The 12-day conference was convened on Monday.

Hou said that new progress in the international disarmament field was achieved in recent years and, following the Biological Weapons Convention, the Chemical Weapons Convention came into being through the joint efforts of the international community.

China is among the first signatories of the convention which bans chemical weapons of mass destruction.

"China has all along stood for the complete prohibition and thorough destruction of all weapons of mass destruction and believed that it is the common goal which should be pursued by the whole mankind," Hou said.

He added that before the realization of this final goal, all the nuclear-weapon states should undertake unconditionally not to be the first to use nuclear weapons and not to use or threaten to use nuclear weapons against non-nuclear weapon states and nuclear-weapon-free zones.

On the biological weapons convention, Hou said, "China resolutely supports the objective of prohibiting biological weapons by faithfully and comprehensively implementing its obligations under the convention."

He said, "China is devoted to the strengthening of the universality and effectiveness of the Biological Weapons Convention and is in favour of adopting appropriate measures to achieve this purpose."

China has submitted every year to the United Nations its report on the data and information in connection with the convention.

Hou emphasized that the implementation of any international treaty should not be selective.

He said, "full implementation of the relevant articles of the convention on the strengthening of international cooperation and exchange in peaceful uses of biotechnology would be helpful to the economic and social development of all states parties and beneficial as well for the enhancement of the universality and authority of the convention."

Therefore, Hou said, sufficient attention should be attached to this issue so as to meet the legitimate concerns and requests from numerous states parties.

Hou asked countries with advanced technology to take specific measures to promote technology transfers and trade in the field of peaceful uses of biotechnology.

In conclusion, Hou expressed the hope that with the future progress in the strengthening of confidence-building and compliance measures for the implementation of the convention, the international cooperation and exchange of biotechnology should also be further advanced.

### More on Beijing's Stand

OW2109021594 Beijing XINHUA Domestic Service in Chinese 1555 GMT 20 Sep 94

[By reporter Ban Wei (3803 3837)]

[Text] Geneva, 20 Sep (XINHUA)—Addressing a special conference of the Biological Weapons Convention today [20 September], Chinese Ambassador on Disarmament Affairs Hou Zhitong said China resolutely supports the objective of the ban on biological weapons and is in favor of adopting appropriate measures to enhance the universality and effectiveness of the convention.

Hou Zhitong said: International disarmament has made new progress in recent years. Following the Biological Weapons Convention, the Chemical Weapons Convention came into being through the joint efforts of the international community. China has all along supported the purpose and objective of the Chemical Weapons Convention and was among the first batch of its signatories. China looks forward to the Chemical Weapons Convention going into effect at an early date.

Hou Zhitong said: China has all along stood for the complete ban and thorough destruction of all weapons of mass destruction, and firmly believes this is the goal mankind should pursue. The international community should make continued efforts on the basis of the Biological Weapons Convention and the Chemical Weapons Convention to bring about a complete ban on and total destruction of the weapons of mass destruction as soon as possible, and to usher in a new nuclear weapons-free era for mankind.

Commenting on the Biological Weapons Convention, Hou Zhitong pointed out: China resolutely supports the objective of the ban on biological weapons; always faithfully fulfills all the obligations it has undertaken under the convention; and has each year submitted to the United Nations its data and situation report dealing with the convention.

He also stressed: The implementation of any international treaty should not be selective. China has always believed that conscientiously implementing relevant



articles of the convention and strengthening international cooperation in and exchange of the peaceful use of biotechnology will be helpful for every country's economic and social development, and conducive to enhancing the universality and authority of the convention. Due importance should be attached to the reasonable concerns expressed by many countries and their requests.

The special conference of the Biological Weapons Convention opened on 19 September and will end on 30 September.

### **Beijing Signs Convention on Nuclear Safety**

*OW2109015694 Beijing XINHUA in English 0105 GMT 21 Sep 94*

[Text] Vienna, September 20 (XINHUA)—China and 37 other nations signed the Convention on Nuclear Safety at the 38th Conference of the International Atomic Energy Agency (IAEA) here today.

Chen Shiqiu, the representative signing on behalf of the Chinese Government, said that China will strictly fulfill its obligations in accordance with the convention and actively take part in international cooperation aimed at reinforcing nuclear safety.

Among the 37 other signatory countries are Austria, Germany, Japan, the United States, Britain, Russia, France, Pakistan, India, Romania, South Korea, Algeria, Brazil, Belgium, Bulgaria, Chile, Cuba, Ukraine, Poland, Australia, South Africa, Turkey, and Canada.

### **'Commentary' Views Development of Cooperation With IAEA**

*OW2009034694 Beijing XINHUA in English 0317 GMT 20 Sep 94*

[XINHUA "commentary"]

[Text] Vienna, September 19 (XINHUA)—This year marks the 10th anniversary of China joining the International Atomic Energy Agency (IAEA). During these ten years, China has developed fruitful technical cooperation with the IAEA and has promoted the peaceful use of nuclear energy in China.

According to IAEA policy, one of the agency's goals is to speed up and widen the peaceful use of nuclear energy, and to promote peace, health and world prosperity through technical cooperation.

In the last ten years, the IAEA has provided technical assistance to China for the use of nuclear energy in generating electricity and for use in agriculture and medicine.

Nuclear safety procedures and many other activities, involving scores of institutes, factories and universities at all levels have also been carried out in China with the coordinated aid of the IAEA.

At nuclear power stations, the IAEA has helped China to train operating personnel, supervise safety and quality control, install emergency programs and maintain equipments.

The agency has also made evaluations and conducted technical consultations at the Qinshan and Dayawan nuclear power stations.

The IAEA played an important role in ensuring safe operations at China's first nuclear power stations, and with their help many laboratories upgraded their equipment and heightened their scientific research abilities.

Many scientific achievements have already found practical application, producing remarkable economic and social benefits.

China insists on the principle of both receiving and contributing advanced technology through cooperation with the agency.

This September, the IAEA held a meeting to discuss its technical cooperation policy and the direction of that policy in the future.

It is certain that the peaceful use of nuclear energy will greatly contribute to economic development in China following the continuously widening technical cooperation between China and the IAEA.

### **China 'Firmly Opposed' to Taiwan Rejoining UN**

*HK2009112894 Hong Kong AFP in English 1043 GMT 20 Sep 94*

[Text] Beijing, Sept 20 (AFP)—Beijing slammed Tuesday Taipei's stepping up of its campaign to rejoin the United Nations by sending a delegation to the United States, accusing it of "brazenly" attempting to create "two Chinas."

"The United Nations is an intergovernmental, international organisation composed of sovereign states. Taiwan is a province of China. It is not entitled to join the United Nations," a foreign ministry spokeswoman said.

"The sending of politicians by the Taiwan authorities to the United States to propagate for its so-called re-entry to the United Nations constitutes a move of brazenly seeking to create two Chinas and one China, one Taiwan," she said.

"It's only natural that the Chinese government is firmly opposed to it," she added.

A Taiwanese parliamentary delegation led by deputy secretary general of the ruling Kuomintang party James Chou has visited Washington and New York during the past week to seek support for the Nationalist island's cause.

The United Nations is to open its annual General Assembly in New York on Tuesday.

Government spokesman Jason Hu also left for the United States on Saturday to promote Taipei's international status, saying he would combat the isolation forced by China on Taiwan's 21 million people.

China replaced Taiwan in the United Nations in 1971, 22 years after the Nationalists fled to the island after losing a civil war to the communists in 1949.

Claiming sovereignty over the island, China bars any country that has diplomatic ties with Beijing from developing official links with Taiwan as well as blocking Taipei's efforts to rejoin international organisations under its official insignia.

Last year, Taiwan failed in its bid to return to the United Nations when 11 general affairs committee members, headed by China, vetoed a proposal by seven nations to have the issue discussed.

At this year's general assembly, 12 countries are expected to put forward a similar proposal.

#### **Qian Calls For 'New Global Partnership' in Environment**

*OW2009130494 Beijing XINHUA in English 1237 GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Chinese Foreign Minister Qian Qichen urged the international community to speed up its efforts to establish a new global partnership at a high-level international meeting on environment and development here today.

Addressing the opening session of the third meeting of China Council for International Cooperation on Environment and Development, Qian, also vice-premier, said that the United Nations environment and development conference of 1992 proposed that establishment of a "new global partnership" be the basis for international cooperation of environment and development.

"For the past two years since then, though the international community has spent many efforts in implementing the agreements reached at the UN meeting, the 'new global partnership' is far from being realized," he said.

"The urgent task for the international cooperation of environment and development right now is to spare no efforts to establish such partnership at earlier time" the Chinese foreign minister said.

"For the past two years, little progress has been made in some of the key areas such as financial resources and transfer of technology, which has damaged the credibility of UN and the international community to some extent," he said.

Qian said that he hoped that all countries, particularly the developed countries, would take immediate and

effective measures and concrete steps to carry out the decisions made by the UN environment and development conference.

"Protecting environment and realizing a sustainable development is in the interest of mankind and therefore is the common task of the human beings," Qian said. "Nobody can stay out of it."

"The developed countries have a historic duty and the ability to do something about it," he noted.

"For many years, the developing countries have been making huge efforts in committing themselves to many international conventions and agreements of environmental protection," he said. "Now it's time the developed countries take their own action."

In his speech, Qian also called for a stop of using "environment protection" as an excuse to limit the economic and trade development of the developing countries.

Qian warned of an on-going trend of taking environment protection as an excuse to impose some unrealistic standards and requirements on the industries and products of the developing countries.

"Such trend could become a new trade barrier and harm the economic development of the majority of the developing countries," he said, "and eventually it weakens their ability to participate in the international cooperation of environment protection."

"The international community should join hands in the spirit of equal partnership to resist such harmful trend," he said.

The China Council for International Cooperation on Environment and Development was formed by about 20 Chinese senior government officials and another 20 foreign government and international organization officials in 1992.

Senior Chinese Government officials including State Councillor and Minister of Science and Technology Song Jian, chairman of the Environment and Resources Committee of the National People's Congress Qu Geping and Director of the State Environmental Protection Administration Xie Zhenhua also spoke at today's meeting.

Representatives from UNDP, World Bank, Ford Foundation and European Union also made speeches at the meeting.

#### **ROK Head To Reply to Carter's DPRK Visit Proposal**

*OW1809115694 Beijing XINHUA in English 1100 GMT 18 Sep 94*

[Text] Seoul, September 18 (XINHUA)—South Korean President Kim Yong-sam will soon forward an affirmative reply to former U.S. President Jimmy Carter in

response to the latter's proposal that he will visit Pyongyang again to mediate for inter-Korean relations, a government official said.

In a letter addressed to President Kim last Friday [16 September], Carter reportedly said that he would revisit Seoul and Pyongyang to help bring about another breakthrough in the deadlocked relations between South Korea and the Democratic People's Republic of Korea (DPRK).

Kim is expected to convey the affirmative response to Carter on next Tuesday through South Korean Ambassador to the U.S. Han Sung-su, according to the official.

During his first visit to Pyongyang from June 15 to 18 this year, Carter met with the late DPRK President Kim Il-song to effect a breakthrough that led to talks between the U.S. and the DPRK on Pyongyang's nuclear issue and exchange of liaison offices in each other's capital.

Carter's Pyongyang tour also resulted in holding a summit between President Kim Yong-sam and President Kim Il-song scheduled on July 25-27 in Pyongyang.

The planned inter-Korean summit could not be held due to the death of Kim Il-song. Kim died of a heart attack on July 8 at the age of 82.

The official said even after Kim Il-song's death, Seoul declared that the June accord on the inter-Korean summit is valid.

#### UN General Assembly Opens 49th Session

OW2009231394 Beijing XINHUA in English 2234  
GMT 20 Sep 94

[Text] United Nations, September 20 (XINHUA)—The United Nations General Assembly opened its 49th session at the UN headquarters this afternoon.

The inaugural meeting elected Amara Essy, minister of foreign affairs of the Republic of Cote d'Ivoire, as president of the current general assembly.

The session, which will last until late December, is loaded with a heavy schedule with more than 150 items on the agenda to be discussed by delegates. Most of the issues are centered on world peace-keeping and economic development.

As of today, 178 speakers have asked to take the floor during the 3-week-long general debate. There are 39 heads of state and 18 prime ministers on the speaking list, the record number in the UN History, indicating a growing interest in and a higher expectation of the world body in the post Cold War era.

#### Further on Opening

OW2109015994 Beijing XINHUA in English 0015  
GMT 21 Sep 94

[Text] United Nations, September 20 (XINHUA)—The United Nations General Assembly opened its 49th

annual session today with Cote d'Ivoire Foreign Minister Amara Essy elected its president.

Attending the first plenary meeting of the session were delegates from 184 UN member states. 39 heads of state, 18 prime ministers, two crown princes and more than 100 foreign ministers are expected to speak in the session's general debate beginning next Monday.

Speaking at today's meeting, Essy noted that the world had been plagued by civil wars since the end of the Cold War. Conflicts in the former Yugoslavia and Rwanda had led to ethnic cleansing and even genocide, while intolerance and xenophobia had risen elsewhere.

Aside from these problems, he said, the world had to cope with such problems as environmental degradation, urban violence, drugs, unemployment, famine and uncontrolled population growth.

However, he continued, there were also grounds for optimism, citing recent developments in the Middle East, South Africa and elsewhere.

Stressing the importance of the UN role in promoting sustainable development, he said that "despite negative images of Africa, the crisis of the past decade could be reversed. The continent was regaining its confidence, and its leaders were reaffirming their responsibility for their people."

Essy called on the international community not to yield to disenchantment, but to help Africans design their own solutions to their problems.

Also at today's meeting, 21 vice presidents of the session and chairmen of its six main committees were elected.

#### XINHUA Reportage on Developments in Haiti

##### Panama Offers Cedras Asylum

OW1709064594 Beijing XINHUA in English 0629  
GMT 17 Sep 94

[Text] Panama City, September 16 (XINHUA)—Panama announced today that it will grant asylum to Haiti's military leader Raoul Cedras if the move will avoid a U.S. invasion of Haiti.

Meanwhile, a U.S. delegation headed by former President Jimmy Carter is expected to go to Haiti on Saturday [17 September] to persuade Haitian military leaders to leave without bloodshed.

"If he wants to take asylum in Panama to avoid an invasion, we would like to give him asylum," Panamanian President Ernesto Perez Balladares told Panama's RPC radio.

But the Panamanian leader added that the condition is that "we will accept him to avoid an invasion, not give him asylum after that."

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The United States, leading a multi-national force, is ready to invade the Caribbean country to force the military leaders, who ousted the nation's elected president, Jean-Bertrand Aristide, from power.

U.S. President Bill Clinton warned on Thursday that Haitian military leaders must leave or will be forced to depart.

Faced with more and more pressure from the U.S., Haiti's military leaders reportedly agreed on Friday to talks with former President Carter over the crisis. The White House said that the only topic will be terms of their departure.

White House spokeswoman Dee Dee Myers added that a plane will carry Carter, retired Army General Colin Powell and Chairman Sam Nunn of the Senate Armed Services Committee to Haiti.

Reports quoted Carter as saying that he had talked to Cedras and that Cedras had agreed to talk to the delegation headed by Carter.

The initiative will be a last chance for Cedras to seek safe passage to a third country before U.S. invades Haiti to restore exiled President Aristide to power, U.S. officials said.

#### Russia Urges 'Minimum' Violence

OW1709172494 Beijing XINHUA in English 1458  
GMT 17 Sep 94

[Text] Moscow, September 17 (XINHUA)—Russia today appealed to the multi-national force preparing to invade Haiti to keep violent action to a minimum and avoid bloodshed in the Caribbean country.

Actions by the invading forces should not infringe upon the sovereignty and territorial integrity of Haiti, or the security and sovereignty of other countries in the region, said a statement published by the Russian Foreign Ministry.

The statement said that Russia prefers political and diplomatic methods for settling the situation in Haiti.

If the invasion does occur, Russia expects that any actions taken will conform with the UN accords and not go beyond the UN resolution, the statement said.

Russia supported the United Nations Security Council resolution on Haiti authorizing the use of force there to restore the elected President Jean-Bertrand Aristide.

#### Perry Cited on U.S. Troops Arrival

OW1909153594 Beijing XINHUA in English 1513  
GMT 19 Sep 94

[Text] Washington, September 19 (XINHUA)—With the first groups of U.S. military forces on ground in Haiti this morning, Secretary of Defense William Perry said that "Our entry plans are not based on trust."

"We are going in with a very large and a very well armed military force. Our protection will be in our arms, not in trust," Perry told reporters at the Pentagon today.

Under an agreement reached Sunday [18 September] night, the Haitian military leaders agreed to allow the American troops to enter their country peacefully today.

The first group of American soldiers arrived in helicopters at Part-au-Prince's International Airport in the morning, as the vanguard of a U.S. occupation force to Haiti.

Perry noted that a top priority for the initial wave of U.S. troops was to "prepare for their own self-defense" and to insure protection of the full landing forces.

He also said details would be worked out later on how and when to disarm Haitian military forces.

The agreement also calls on the Haitian military leaders to step down and exiled Haitian President Jean-Bertrand Aristide to return.

"Certainly, by the time the new regime comes in, Aristide comes in, we expect that disarming to be done," the secretary said.

#### 'Major Western Nations' Hail Accord

OW1909153794 Beijing XINHUA in English 1515  
GMT 19 Sep 94

[Text] Beijing, September 19 (XINHUA)—Some major Western nations hailed today the last-minute accord, reached last night between the U.S. peace negotiators and Haiti's de facto leaders, that averted an American invasion of Haiti.

Japanese Foreign Minister Yohei Kono said in a statement today that his nation considers the agreement as an "important progress toward the restoration of Haiti's democracy, which includes the reinstatement of the legitimately elected government and the restoration of constitutional order."

U.S. President Bill Clinton announced on Sunday [18 September] night that, under the agreement, engineered by his special envoy, former U.S. President Jimmy Carter, the Haitian military junta was to step down no later than October 15.

The Haitian military leaders toppled the elected president, Jean-Bertrand Aristide, in September 1990.

General Raoul Cedras and other Haitian military leaders agreed last night to step down after a series of talks with the U.S. negotiators and faced an immediate invasion of the Caribbean nation by a U.S.-led multinational force.

The Japanese foreign minister said that Japan will plan to offer "appropriate cooperation" in support of Haiti's democratization and reconstruction, taking accord of the future progress of the situation.



A German Foreign Ministry spokeswoman said today, "The German Government welcomes the fact that in the last minute the U.S. Government mediation efforts were successful."

British prime minister, John Major, on a visit to Saudi Arabia, said, "Clearly that's very welcome. I'm very pleased about that."

French Foreign Minister Alain Juppe told a press conference in Lisbon today that sanctions against Haiti should be lifted as soon as possible if the situation in the country calmed.

"If stability returns to Haiti, sanctions must be lifted swiftly," he said.

Juppe said that his country intended to resume links with Haiti and called other European Union members to follow its lead.

#### **Cedras Not Required To Leave Haiti**

*OW1909164594 Beijing XINHUA in English 1612 GMT 19 Sep 94*

[Text] Washington, September 19 (XINHUA)—U.S. former President Jimmy Carter said here today that although Haitian military leader Raoul Cedras agreed to step down from power, he is not required to leave that country.

Carter said that it would be a violation of human rights to force Cedras to leave Haiti.

Leading a high-level delegation, Carter had four rounds of negotiations for more than ten hours with the Haitian military leaders in Port-au-Prince, capital of Haiti, and reached the last minute agreement last night.

The agreement provides that the Haitian military leaders must step down and exiled Haitian President Jean-Bertrand Aristide would return to Haiti.

Secretary of States Warren Christopher told CBS this morning that the agreement provides that Cedras is to leave that country no later than October 15.

"I think it's quite unlikely that he'll want to stay there after President Aristide returns, especially with the presence of United States troops and UN Mission later," Christopher explained.

Asked when the embargo on Haiti will be lifted, he said that "It would not have to be completely lifted until President Aristide returns."

"There'll probably be some partial lifting in earlier days in order to begin to meet the needs of the people of Haiti," the secretary added.

#### **First Troops Arrive**

*OW1909184394 Beijing XINHUA in English 1813 GMT 19 Sep 94*

[Text] Havana, September 19 (XINHUA)—The first invading U.S. troops arrived in Port-au-Prince this

morning without any opposition from the local Army, according to reports received here today.

The U.S. soldiers alighted from helicopters and took combat positions on the Port-au-Prince civil airport landing strip. They were immediately accosted by newsmen who assailed them with queries.

Members of the advanced invasion wave occupied key points in the air terminal and nearby installations, while other units continued their deployment in other important places of the capital city.

U.S. Navy and Air Force jet planes, besides the helicopters, continuously overflew the Haitian capital city and other places of the neighboring Caribbean country.

The landing of the U.S. Forces in Haiti was not resisted by the local Army, after a seven-point agreement was signed at the last minute last night by the special U.S. mission headed by former U.S. President Jimmy Carter and the top Haitian military leaders.

According to the agreement, starting today the U.S. troops will be permitted to land in Haiti without resistance and some Haitian Army officers will be allowed to retire in an anticipated and honorable way, and constitutionally elected President Jean-Bertrand Aristide will return to his country.

It has been informed that next weekend there will be some 15,000 U.S. troops in Haiti, an overwhelming force, as much in numbers as in quantity of ordnance and equipment for the military occupation of the Caribbean country.

#### **Clinton Says Troops Enter Peacefully**

*OW1909184294 Beijing XINHUA in English 1823 GMT 19 Sep 94*

[Text] Washington, September 19 (XINHUA)—U.S. President Bill Clinton announced that American military forces had entered Haiti peacefully this morning.

"But I want to emphasize that the situation in Haiti remains difficult, it remains uncertain, the mission still has risks," Clinton told reporters at a White House news conference today.

The U.S. military forces are there to make sure that the Haitian military leaders will carry out the terms of an agreement reached last night in Port-au-Prince, capital of Haiti, Clinton said.

Under the agreement, the Haitian military leaders have agreed to leave power as soon as the Haitian parliament passes an amnesty law. But in any event, no later than October 15.

And exiled Haitian President Jean-Bertrand Aristide will return to Haiti after the Haitian military leaders leave.

The Haitian military leaders have also agreed to immediate introduction of troops from the international coalition and pledged to cooperate fully with the coalition troops during the peaceful transition of power.

The first group of American troops arrived in helicopters at Port-au-Prince's international airport in the morning.

Their mission "will be limited in time and scope," Clinton said. "It is clearly designed to provide a secure environment for the restoration of President Aristide and democracy."

Clinton expressed his thanks to former President Jimmy Carter, General Colin Powell and Senator Sam Nunn for their "major contribution" to the agreement.

Carter said at the news conference that he just had a telephone conversation with a U.S. official who is in the office with the military leaders of both the United States and Haiti.

"He said everything is going perfectly," Carter said. "I think the mutual respect with which this has been is a notable achievement."

#### U.S. Marines Land in Northern Haiti

OW2009161894 Beijing XINHUA in English 1534  
GMT 20 Sep 94

[Text] Washington, September 20 (XINHUA)—U.S. Marines landed this morning in Cap-Haitien, a seaside city in northern Haiti, meeting no resistance.

The landing by the first 200 of 1,600 Marines began with 14 armored amphibious vehicles leaving the USS Nashville and threading through fishing vessels on the way to the city's port.

Haitian Police cooperated with the landing, keeping the crowds out of Marines' way, according to reports reaching here.

At the same time, U.S. armed helicopters left the USS Wasp on their way to secure the city airfield on the second day of the U.S. operation in Haiti.

U.S. Navy Spokesman Scott Gureck said that "the operation appears to be going fairly smoothly so far with cooperation between U.S. Marines and the Haitian people."

About 3,000 U.S. troops took over the main airport and port in Port-au-Prince, capital of Haiti, yesterday.

#### UN To Send Military Observers to Haiti

OW1909192894 Beijing XINHUA in English 1838  
GMT 19 Sep 94

[Text] United Nations, September 19 (XINHUA)—An advance group of United Nations military observers will be dispatched to Haiti this week, according to a UN spokesman today.

Speaking at a press conference, the spokesman said UN Secretary-General Butrus Butrus-Ghali is also considering the early redeployment of the international civilian mission to Haiti.

He said the secretary-general welcomed the news that a military intervention has been averted in Haiti and that conditions have been created for the peaceful implementation of Security Council Resolution 940, which was adopted in June last year in a bid to settle the Haiti crisis.

The spokesman said the secretary-general hoped that a secure and stable environment will soon be established through cooperation between the Haitian military authorities and the multinational forces and looks forward to the return of President Jean-Bertrand Aristide to his country and the resumption of international assistance to help rebuild Haiti's economy and institutions.

#### U.S. Denies Agreement With RSA Linked To Haiti

OW1609172194 Beijing XINHUA in English 1655  
GMT 16 Sep 94

[Text] Johannesburg, September 16 (XINHUA)—The United States Embassy in Pretoria today denied allegation that the U.S. Government has asked for South African troops to take part in the planned military invasion of Haiti.

The embassy said in a statement that reports about the U.S. request are misleading.

"The U.S. had in fact asked South Africa for help in monitoring law and order and human rights abuse after the legitimate Haitian Government had been restored," the statement said.

"The South African Government was considering the request," it added.

According to most of the South African news media today, U.S. President Bill Clinton on Wednesday [14 September] evening telephoned South African President Nelson Mandela, requesting assistance in peacekeeping operations after a military invasion of Haiti.

In the telephone call Clinton briefed Mandela on the pending military operation, the reports said.

According to the reports, Mandela replied that he would discuss the request with his two deputy presidents.

Meanwhile, the U.S. statement also said that there is no link between the request and the U.S. assistance program to South Africa.

"The postponement of the signing of the Administration of Justice Agreement between the U.S. Agency for International Development and (South Africa's) Justice Ministry, which was to take place this morning (Friday), was due to technical reasons only on the South African side," the statement explained.

'We expect the agreement to be signed shortly,' the embassy said.

In a statement later the South African Ministry of Justice said the reason for postponing the signing ceremony is a 'technical one.'

Arrangements are being made for the signing to take place soon, the ministry said, describing as embarrassing and unfounded the reports linking the postponement of the signing ceremony to the Haiti issue.

#### **'News Analysis' on Abrupt Turn in Haiti Crisis**

OW2109055594 Beijing XINHUA Domestic Service in Chinese 1520 GMT 19 Sep 94

["News Analysis" by XINHUA reporter Yuan Jinlin (5913 6930 2651): "For What Reasons There is Abrupt Turn in Haiti Crisis"]

[Text] Beijing, 19 Sep (XINHUA)—After four rounds of tense and tough negotiations for more than 10 hours between the U.S. delegation headed by former President Jimmy Carter and the Haitian military leader Cedras and "interim president" Jonassaint, the two sides eventually reached an agreement on the night of 18 September, thereby averting a pending U.S. military invasion of Haiti.

Under the agreement, the current Haitian military leaders, headed by Cedras, have agreed to leave power as soon as the Haitian parliament passes an amnesty law. The deadline will be no later than 15 October. Following that, the elected Haitian President Jean-Bertrand Aristide, who is in exile in the United States, will return to Port-au-Prince. The Haitian military leaders have also agreed to allow 15,000 officers and men from the U.S.-led multinational forces to enter Haiti from 19 September and have pledged to cooperate fully with the multinational forces during the peaceful transition of power.

The dramatic changes in the Haiti situation relieve the whole world. What, however, are the reasons for the abrupt turn in the Haiti crisis? They may be summarized as the following three points:

First, as far as the nature of the Haiti issue is concerned, it is entirely the internal affair of a sovereign state. The overwhelming majority of states in the world advocate that the Haiti crisis be resolved through peaceful negotiation and resolutely oppose taking military action. Many Third World countries and even some Western countries, including France, have criticized and condemned the planned invasion of Haiti by U.S. troops.

Second, in the United States, the majority of Americans, including quite a few congressmen, oppose the sending of U.S. troops to Haiti. They demand in strong terms that any decision to send troops to Haiti by the Clinton administration needs Congressional approval. The Clinton administration has reiterated many times on the

Haiti issue that the United States will protect its "self-interests" "from being infringed." However, up to now, the overwhelming majority of American voters do not believe that Haiti—an island nation—will harm U.S. "interests" or "will pose a threat to the United States." After Clinton issued the ultimatum to leaders of the Haitian military authorities, a survey done by a U.S. poll organization showed that about 60 percent of citizens opposed the U.S. decision to send troops to Haiti.

Third, as far as Haiti is concerned, the military regime headed by Cedras, came to power after it launched a coup to overthrow the elected president in September 1991. It is of no legitimacy, nor is it recognized by international society. It has, therefore, always been under extensive, concerted, and strong condemnation from the international community, Latin American countries in particular. It has refused mediation by the international community and some Latin American countries. Even after the Clinton administration issued its ultimatum, it was still very uncompromising, saying it would fight bloodily to the end. However, the Haitian military leaders were forced to sign an agreement after U.S. troops had been deployed and an invasion was imminent.

At the moment, the signing of the agreement has averted a critical military clash between the U.S. and Haiti; however, it does not mean the situation in Haiti will remain calm. The agreement mainly focuses on avoiding bloody clashes, but does not provide specific and clear-cut provisions on many issues once immediate danger has been avoided, particularly on such key issues as future arrangements for Cedras and his followers. It remains to be seen whether the signed agreement is fully carried out. As Clinton said: The mission of 15,000 soldiers going into Haiti "still has risks"; "Haiti is still a country in chaos and there is still the possibility of violence against U.S. troops."

Developments in Haiti will continue to draw the attention of people around the world.

#### **'News Analysis' on Last-Minute Agreement in Haiti**

OW2109024194 Beijing China Radio International in English to Western North America 0400 GMT 20 Sep 94

[From the "News Analysis" program by (Lin Shaowen)]

[Text] The [words indistinct] for U.S.-led invasion of Haiti has been averted following the last-minute agreement reached Sunday [18 September] between U.S. negotiators and Haitian military leaders. Two top Haitian military and police leaders agreed to leave the country as soon as the parliament passes an amnesty law. The exiled President Jean-Bertrand Aristide will return to office in Port-au-Prince. (Lin Shaowen) has this news analysis:



[Begin recording] [(Lin Shaowen)] All sides concerned can now give a sigh of relief as the likelihood of bloodshed has been greatly reduced. To all, the last-minute deal has paved the way for a peaceful solution to the three-year old political crisis in the small Caribbean island nation. No one doubts that the U.S.-led multinational force could easily fulfill its military operation, but many have been against this solution. If the invasion went ahead, the political impact would have been enormous. Caribbean leaders hope to see a bloodless and smooth power transfer in Haiti. President Bill Clinton must certainly feel the most relieved that his olive branch has been accepted at the final hour. American opinion polls showed that most people, including some noted political and army figures, opposed the resort to force. Observers warned that Clinton was actually risking his public confidence politically when he ordered the military invasion. More than 20 U.S. warships and up to 2,000 troops stood ready to enter Haiti if Sunday's peace mission failed to make significant progress. Following the successful trip by former President Jimmy Carter and his fellow mediators, Clinton announced that Haitian military leaders had promised to relinquish power peacefully. He called this a good agreement for the United States and for Haiti.

Haitian Army Commander Raoul Cedras, Chief of Staff Philippe Biamby, and Port-au-Prince Police Chief Michel Francois will leave before 15 October to pave the way for the reinstatement of Aristide. They pledged to cooperate with the coalition troops during a peaceful transition of power, but the intervention force will stay in the country for some time to maintain law and order for the Aristide government. It may not be an easy stay owing to the hostility of some Haitian people against foreign intervention. Many support the restoration of the elected president, but quite a few feel it is difficult to accept the solution through outside intervention. This casts doubts over the maintenance of security in the country.

The latest agreement is also good news for the United Nations [UN]. The UN met criticism when it gave the go-ahead for foreign intervention. Most of the Latin American countries expressed reservation when they debated the UN resolution. Some argued that this marked a precedent as the UN had never before authorized intervention into the domestic affairs of one UN member country. Bloodshed would have led to greater pressure, questioning the legality and justification of the UN endorsement, but the de facto solution will prevent the world body from more stronger words. [sentence as received]

Today, the situation is turning for the better. The latest progress is satisfactory to all. People are encouraged by the results of the intervention so far, but they still have reservations over the way it came about. Such a fine solution became possible only when the Haitian military regime yielded to pressure. But what if they hadn't?

For China Radio International, I am (Lin Shaowen).  
[end recording]

#### **'Roundup' Views U.S.-Cuban Agreement on Immigration Issue**

OW1909013694 Beijing XINHUA Domestic Service in Chinese 0132 GMT 11 Sep 94

[By reporters Tong Bingqiang (4547 3521 1730) and Shui Junyi (3055 0971 4135)]

[Text] Beijing, 11 Sep (XINHUA)—After seven rounds of talks, the United States and Cuba finally reached a new agreement on the immigration issue on 9 September.

According to the agreement, the United States will accept at least 20,000 legal Cuban immigrants annually, while Cuba will take effective measures to stop the current exodus of illegal Cuban immigrants to the United States. The joint communique issued by the United States and Cuba after the agreement was reached pointed out that the two countries have agreed to take measures to ensure normalized immigration procedures, and to make a safe, legal, and orderly immigration system.

The immigration issue between the United States and Cuba has existed for a long time. Because Washington had insisted on its policy of encouraging Cubans to illegally emigrate to the United States, a new tide of Cubans illegally entering the United States has emerged since early August. According to reports, more than 1,000 Cubans have swarmed to the United States daily, with the largest number exceeding 3,000 on a single day. The illegal immigrant tide had become a thorny issue that had obsessed the Clinton administration. Facing the illegal Cuban immigrants swarming to the United States, the U.S. Government announced in late August four sanction measures against Cuba. At the same time, the United States has sent coast guards to intercept illegal Cuban immigrants on the sea and send them to the U.S. Guantanamo military base in Cuba. Currently, there are more than 23,000 illegal Cuban immigrants on the base.

On 1 September, Alarcon, president of Cuba's National Assembly of People's Power, and (Scholl), U.S. deputy assistant secretary of state, held talks in New York on the Cuban immigrants issue. The talks were scheduled for two days; however, due to serious differences between the two sides, the talks were recessed on 7 September, after six days. During the talks, Cuba asked the United States to discuss the cause of the immigration problems—the long economic blockade the United States has imposed on Cuba. Cuban delegates said if the United States stops its economic sanctions on Cuba, Cuba might consider taking measures to stop the emigrant exodus. However, the United States insisted that the talks be limited to the immigration issue. After the talks were recessed on 7 September, delegates of the two countries submitted the contents of the talks to their respective



governments. The delegates resumed talks in New York on 9 September and finally reached an agreement.

According to analysts, the agreement was the result of the concessions the two countries made. It will contribute to solving the current illegal Cuban immigrant problem, but cannot solve the underlying problems concerning Cuban immigrants. Chief Cuban delegate Alarcon pointed out that the agreement was acceptable, but only by the United States lifting its economic blockade on Cuba can the immigration issue be truly solved.

### **Song Jian Meets International Space Symposium Delegates**

*OW1609202294 Beijing XINHUA in English 1542 GMT 16 Sep 94*

[Text] Beijing, September 16 (XINHUA)—Chinese state councilor and Minister of Science and Technology Song Jian met foreign delegates attending an international symposium on space technology here today.

The delegates, who are attending the international conference on microwave remote-sensing applications, organized by the Chinese Government, the United Nations Space Agency and the European Space Agency, are from 15 countries, including The Philippines, Indonesia, Malaysia, the United States, Canada and Germany.

The five-day meeting will close here Sunday.

### **Song Jian Opens ESCAP Space Strategy Preparatory Meeting**

*OW1909132494 Beijing XINHUA in English 1253 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) has launched a regional plan to apply space technology to urgent environment and development problems.

The program aims at enhancing regional cooperation to promote space technology application in the region's developing countries.

Senior officials from more than 20 governments in the region have begun a preparatory meeting here to formulate a comprehensive strategy and plan of action for space technology application for sustainable development.

The four-day meeting is part of the ministerial conference on space application for development in the region, organized for the first time by ESCAP.

During its two-day high-level discussions starting this Friday [23 September], the ministerial conference is expected to adopt a plan of development.

According to ESCAP, the urgent problems to be addressed include environmental degradation,

increasing population pressure, natural calamities, lack of well-established and reliable early warning and disaster mitigation services, inadequate information for natural resource accounting, low level of education, and poor health care and employment opportunities.

The ESCAP regional program will include the following projects:

- satellite remote sensing;
- geographic information systems;
- satellite communications;
- satellite meteorology;
- development and launching of small satellites;
- satellite-based navigation and position fixing;
- satellite-based data collection;
- scientific satellites;
- microgravity study and materials research using retrieval satellites.

According to ESCAP, China, India and Japan have launched their own remote-sensing satellites, and several countries within the region have developed less expensive ground hardware and applications expertise. "The sharing of experience and cooperation within the region should be very productive," an ESCAP official said.

"In view of the strong emphasis on the observation of earth by satellites, a large number of satellites are expected to be launched in varying orbits around the earth in the next ten years," he said.

"The countries of the region should prepare themselves for the processing and application of the data to become available from these satellites," he said.

According to ESCAP, the regional program will be implemented in the period 1995-2000. The funds will come from the participating governments, the UNDP, the UNEP, the World Bank, the Asian Development Bank and donor countries.

In his opening address at the preparatory meeting, Song Jian, State Councillor and minister of the State Science and Technology Commission, said that China, as one of the region's most advanced countries in terms of space technology application, supports ESCAP's program.

"It is therefore necessary to pool our strength through bilateral, multilateral, and regional and global exchange and cooperation to achieve the maximum benefits," he said.

### **Astronautical Conference Opens in Xian**

*OW1709183394 Beijing XINHUA in English 1406 GMT 17 Sep 94*

[Text] Xian, September 17 (XINHUA)—The third China, Russia and Ukraine Astronautical Science and

Technology Conference opened today in this capital of northwest China's Shaanxi Province.

The four-day conference, drawing more than 270 astronautical experts from the three countries, will mainly cover the topic of the technological development of manned space vehicles.

The experts will be divided into six groups to exchange views on the design, application and safety of space shuttles, space electronics, astronautical materials and other issues.

The three countries enjoy leading positions in certain aspects of the development of astronautics.

The conference will contribute much to the world's astronautical development, said Sun Jiadong, chairman of the conference and director of the Science and Technology Committee of the China Astronautical Industry Corporation, at the opening ceremony.

D.I. Kozlov and V.G. Komarov, astronautical experts and co-chairmen of the conference from Russia and Ukraine, respectively, attended the opening ceremony today.

The previous two conferences were held in 1991 and 1992 in Harbin, capital of northeast China's Heilongjiang Province and Samara City in Russia.

The fourth conference will be held in Kiev, capital of Ukraine, in 1996.

#### **'News Analysis' Views Asia-Pacific Space Activities**

OW1909135694 Beijing XINHUA in English 1244  
GMT 19 Sep 94

["News analysis" by Li Xiguang: "Asian-Pacific Countries Enter Space Era"]

[Text] Beijing, September 19 (XINHUA)—Poverty, hunger, illiteracy and disasters are no longer the only things that link the Asian countries closely, these countries are now entering a completely new era of space with their own satellites, launch vehicles, and rockets.

Senior government officials from more than 20 Asia-Pacific nations today began a preparatory meeting to formulate a comprehensive strategy and plan of action on space technology application for sustainable development.

The four-day meeting is part of the ministerial conference on space application for development in the region, organized for the first time by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) to promote space technology application capabilities for the region's developing countries.

"Space technology is no longer limited to western countries; developing countries in Asia and Pacific are catching up," a UN official told reporters at the meeting.

According to UN officials, although largely unheralded, achievements by countries in Asia and the Pacific in the field of space technology are considerable.

For example, China, apart from being the birthplace of rocketry, was the fourth operator successfully to enter the commercial satellite launching market after the United States, Europe and Russia. China was also the third nation to offer commercial microgravity missions.

India, the first country to develop a multi-purpose geostationary satellite, in 1981, has developed a remote sensing satellite series.

China, India, Pakistan and the Republic of Korea have all developed and launched small scientific satellites, while China, India, Indonesia, Iran, the Republic of Korea, Malaysia, Pakistan, Thailand and Tonga have procured national communications satellite systems or will do so within the next few years. China and India have developed their own communications satellites or have been major partners in their development by other countries. China and the Republic of Korea have ongoing programs for using test satellites to devise and verify new control methods, materials and structures.

In the Asia-Pacific region at least 15 countries have national space agencies or programs which encompass a range of space technology applications and space sciences. China and India support nearly all facets of space exploration from largely indigenous technology bases, while Pakistan, the Republic of Korea and Thailand have recently strengthened their ability to utilize the space environment peacefully.

China, Australia, India, Japan and Pakistan possess spacecraft telemetry, tracking and control facilities essential for the successful launching and operation of satellites and planetary spacecraft. China, Australia, Bangladesh, Indonesia, Japan, Mongolia, New Zealand, Pakistan and other countries in the region operate a number of sophisticated astronomical and other space science facilities.

Now, seven heavy-lift capacity launch sites of international standard are located in China, Japan, Kazakhstan and India. China, India and Japan already possess a range of advanced booster rockets capable of launching heavy payloads. In addition, Indonesia, Mongolia, Pakistan and the Republic of Korea have their own sub-orbital or sounder rocket programs.

According to the UN officials, sophisticated space science research facilities in the region include tropospheric and mesospheric vertical-wind radar in India and Indonesia; stratospheric sounding balloons in Indonesia; an upper atmosphere rocket-sounding station in Mongolia; long baseline radio telescopes in Australia; the laboratories of the Institute of Space and Astronautical Science in Japan; and high-altitude balloon launching and tracking facilities in China and India.

"As a whole, the capability and current space program expenditure of countries in the region compare rather closely with those of Europe," a UN official said.

"Moreover, expenditure and technical accomplishments are growing rapidly in the space agencies and research institutes in the region, while those elsewhere are growing more slowly or even declining in real terms," he said.

"Through regional cooperation it may be possible to accelerate and optimize the development of launch technology, at the same time reducing aggregate cost," a UN specialist said.

### Minister Views Trade Liberalization Within APEC

HK1709021094 Beijing ZHONGGUO XINWEN SHE in English 1341 GMT 16 Sep 94

[Text] Beijing, September 16 (CNS)—Should realization of trade liberalization by the regional organization of Asia-Pacific Economic Cooperation (APEC) offer different timetables for countries showing various degrees of economic development, China would take this matter into serious consideration, said the Minister of Foreign Trade and Economic Cooperation, Ms. Wu Yi.

Ms. Wu met her Australian counterpart Mr. Bob McMullan here today, and strengthened cooperation between APEC members became top agenda in their talk. The Chinese minister pointed out that liberalization of trade was the centrepiece topic for APEC. Ms. Wu noted that, as different countries had their own social systems, economic development and cultural background, views on this topic were surely different from one another. China lends its support to trade liberalization but it holds that different timetables should be set for different countries to realize this end. Ms. Wu was convinced it was true that different countries with different extent of economic development should not follow the same timetable.

The Chinese minister stressed that trade liberalization should have a solid foundation which lies in the principle stated by the General Agreement on Tariffs and Trade (GATT). APEC is a regional organization of the GATT framework. Should APEC members hold no membership to GATT, they would find it very difficult to observe the principle of trade liberalization. It therefore justifies that all APEC members should also be members of GATT.

Ms. Wu reiterated China's position on APEC, which was known as mutual respect, equality and mutual benefit, reciprocal opening and mutual prosperity which was made by the Chinese President Jiang Zemin last year when he attended a summit of APEC.

The Chinese senior trade official also stressed that APEC should be an economic cooperation forum featuring

open-minded and flexible practice as well as effect orientation. She said that China opposed to make the regional organization a close-ended group with economic interests. Mr. Wu was convinced that APEC should start with a diversified practice and then step by step carry out economic cooperation and trade in a comprehensive way. The organization should follow the principle of reaching consensus through means of consultation and confine itself to discussion on economic and trade affairs rather than covering political, security and social issues.

The ministerial level meeting of APEC will be convened in Indonesia this October. Ms. Wu believed that it would be a meeting centred on discussion on trade, investment and transfer of technology in Asia and Pacific region. The meeting will also make preparations for a meeting of leaders of APEC member nations.

### Delegation Head, GATT Official Discuss WTO Membership

OW1909225194 Beijing XINHUA in English 2154 GMT 19 Sep 94

[Text] Geneva, September 19 (XINHUA)—The director of the world's main trade group said here today that China should become a founding member of the future World Trade Organization (WTO) because China participated in the Uruguay Round of multilateral trade talks and signed its final agreements.

Peter Sutherland, director general of the General Agreement on Tariffs and Trade (GATT) made the remark when meeting Long Yongtu, head of the Chinese delegation to the ongoing 10th round of talks between China and the United States on China's re-entry into the GATT.

Long, also minister-assistant of foreign trade and economic cooperation, said since the negotiations on China's membership are now at a critical stage, the GATT should play a more active role to make special arrangements to secure China's founding member status in the WTO.

Sutherland said the GATT would "do its best" to seek the relevant arrangements, adding that now it is the time for the GATT to exert its influence.

Meanwhile, Sutherland also expressed the hope that the bilateral talks between China and the United States, the European Union and some other major contracting parties, which are now going on in Geneva, could soon make substantive progress.

That would provide the basis for the GATT to play a constructive role, Sutherland said.

China, which applied to rejoin the GATT in 1986, wishes to be admitted by January to qualify as a founding member of the more powerful World Trade Organization, which supersedes the GATT next year.



**U.S. Study Advises Against Super 301 Provision**

OW1609223194 Beijing XINHUA in English 2035  
GMT 16 Sep 94

[Text] Washington, September 16 (XINHUA)—The Clinton administration should not use, and the Congress should not renew the Super 301 Provisions of U.S. Trade Law for attacking import barriers in other countries.

This is the key conclusion of a new study by the Institute of International Economics, a Washington think tank that is regarded as having wide impact on the White House policies. The study was released here today.

It challenged the conventional wisdom about trade threats in several aspects, concluding that Section 301 in all its versions has been neither as powerful a market-opening crowbar or the unmitigated disaster for global trading system.

Overall, Section 301 has achieved at least partial market opening about 50 percent of the time since 1972. There have been 72 cases, including six Super 301 cases from 1972 to 1992, the study showed.

But the overall U.S. trade gains are probably no larger than four to five billion U.S. dollars annually, or about one percent of total U.S. exports.

On the other hand, this "aggressive unilateralism" by the U.S. did not typically lead to trade wars or to discrimination against third country exporters.

"It's a safe judgment that the implementation of Super 301 would not help to reduce U.S. trade deficits, and its renewal is often without any serious study of its past effect," said Fred Bergsten, director of the institute.

The unilateral aggressiveness as demonstrated by the use of the Trade Law, the former Treasury official said, often lead to unhappiness among U.S. trading partners, especially in Asia and the Pacific.

**U.S. Official Meets With Turkish Representative**

OW1609223394 Beijing XINHUA in English 2018  
GMT 16 Sep 94

[Text] Ankara, September 16 (XINHUA)—A senior U.S. official said here today that it is necessary for Turkey to maintain some sort of control over the passage into northern Iraq.

U.S. State Department Undersecretary Peter Tarnoff's remarks came amid various reactions to Ankara's decision to limit foreigners' entry to Iraq from Turkey.

Last month, Turkey declared that it would require foreign observers, parliamentarians and journalists not accredited to Turkey to have explicit permission when they want to cross into northern Iraq from Turkey.

Tarnoff arrived in Ankara Thursday [15 September] and held talks today with Turkish Foreign Minister Mumtaz

Soysal [name and title as received] on bilateral relations, regional affairs as well as the ties between Turkey and Greece.

On the UN embargo against Iraq, the U.S. official said, "There are no signs that the Iraqi regime will change its former attitude. The sanctions must continue."

Tarnoff urged Turkey and Greece to step up communications to prevent an escalation of tensions over the Aegean.

He also brought Ankara assurances from Athens that Greece has no immediate plan to increase its territorial waters beyond six miles, a move Turkey considers as a reason for war.

Greece believes that the right to extend its territorial waters in the Aegean beyond six miles, is a matter of its national jurisdiction and not a issue of negotiation with a foreign country.

But Ankara insists that the issue be solved through bilateral talks due to the special geography of the Aegean Sea.

On Turkish-U.S. differences, Turkish Foreign Minister Soysal told Tarnoff that the differences of opinions between Washington and Ankara should be discussed openly, rather than being swept under the carpet or pretend that such differences did not exist.

In late August, the Pentagon has blocked the shipment of at least two crucial pieces of military equipment used by the Turkish Army, claiming they would be used in military drive against Kurdish activists in southeastern Turkey.

The United States has passed a foreign aid bill withholding 10 percent of a 363 million U.S. dollars aid package for Turkey. It linked the 10 percent portion to the human rights situation in Turkey with emphasis on the Kurdish issue.

**Iraq Protests Airspace 'Violations' by U.S.**

OW1609195294 Beijing XINHUA in English 1930  
GMT 16 Sep 94

[Text] Cairo, September 16 (XINHUA)—Iraq has lodged a protest with the United Nations against violations of its airspace by U.S. planes undertaking surveillance operations over its territories.

The protest, included in a message dispatched to UN Secretary General Butrus Butrus-Ghali, was broadcast in Baghdad before noon today, Egypt's MIDDLE EAST NEWS AGENCY reported in a dispatch from the Iraqi capital.

Over the period since September 1, American planes have mounted 494 reconnaissance sorties over many regions of Iraqi territory, the report said.



Baghdad demanded that this message be distributed among member states of the world organization as one of the documents of the UN Security Council.

### **U.S., Egypt Conclude Four Agreements**

*OW1609195194 Beijing XINHUA in English 1813 GMT 16 Sep 94*

[Text] Cairo, September 16 (XINHUA)—Egypt and the United States concluded late this week four agreements, under which the U.S. will offer Egypt 48 million dollars for developing science, technology and minor projects.

Minister of State for International Cooperation Yusuf Butrus- Ghali signed the agreement on behalf of the Egyptian side while the U.S. ambassador in Cairo represented the American side.

Under the first agreement, 24.7 million dollars will be allocated for science and technology projects. It aims to increase production of the public and private sectors and includes aid to the Ministry of Health.

The second agreement of 10 million dollars will go to population and family projects. The 8 million dollars of the third agreement will subsidize credits for minor projects and the last 5 million dollars will go to minor projects established by young people.

"These four projects are crucial as they help the economic, social, and health sectors," Butrus-Ghali was quoted today as saying in statements published in the newspapers here today.

He expected that similar agreements will be signed with the United States in the near future.

### **Chinese Delegate Discusses Uruguay Round at UN Session**

*OW2109095494 Beijing XINHUA in English 0910 GMT 21 Sep 94*

[Text] Geneva, September 20 (XINHUA)—China today urged the developed countries to take timely measures to protect the developing countries from the adverse impact induced by implementing the Uruguay Round multilateral trade accord.

Addressing a UN Trade and Development Board session here, Chinese delegate Zhang Kening said although the implementation of the outcome of the Uruguay Round has not yet started, some analysis and projections have already indicated that some agreements may affect the interests of the developing countries in certain fields.

"The international community, especially the developed countries should take into full consideration the interests and special circumstances of the developing countries while implementing the outcome of the Uruguay Round and take timely measures to improve their situation so as to reduce the adverse impact of the new system on them," Zhang said.

He listed two areas in which the interests of the developing countries are most likely to be affected.

As far as textiles and clothing are concerned, Zhang said, the negotiation results of the Uruguay Round have shown that almost half of these products will not be brought under the system of the General Agreement on Tariffs and Trade (GATT) until the last moments of a ten-year deadline imposed to end the multi-fiber agreement.

That means that the developing countries would continue to pay tremendous costs in quite a long run, Zhang said, adding that the developed countries can accelerate this process by making their options of the liberalization of product categories.

Therefore, he said, in implementing the Uruguay Round agreements "the developing countries do have the potential and ability to reduce the damage to the interests of the developing countries."

As to the Generalized System of Preferences (GSP), a regime conducive to trade relations and economic cooperation between the developed and the developing countries, the Chinese delegate said that it is widely recognized that the implementation of the results of the Uruguay Round will damage the system.

In order to offset the negative effect, the developing countries have repeatedly called upon the preference-giving countries to take into serious consideration the improvement of the GSP schemes and take among other measures to increase the margin of preference, include more products in the system and improve the rules of origin so that the export competitiveness of the developing nations can be ensured.

However, Zhang said, the latest developments indicate that GSP is being affected by the negative policy of some preference-giving countries.

He also noted that the idea to introduce into GSP environment conditions and "social clause" runs counter to the principle of GSP and can seriously damage the positive role of the regime. He expressed the hope that the preference-giving countries concerned could take pragmatic and positive measures to revitalize the post-Uruguay Round GSP.

### **Source Says India Likely To Buy Russia's T-80 Tanks**

*OW2109045794 Beijing XINHUA in English 0422 GMT 21 Sep 94*

[Text] New Delhi, September 21 (XINHUA)— India is currently considering a Russian offer for T-80 main battle tank (MBT), a highly-placed source said here today.

Syria is the only other country to which an offer to sell T-80 tanks has been extended by Russia.

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A visiting Russian delegation said that the T-80 tank is known for its combination of better speed, mobility, firepower and shock action besides its improved operational radius.

At the moment, India has about 1,850 tanks of different makes in its inventory, whereas its ultimate goal is 2,800 tanks by the turn of the century.

While a number of T-59 and T-72 tanks are to be upgraded in the next few years, India plans to induct a big chunk of indigenously manufactured MBT by then. The rest will be bought from the outside market, the same source said.

### **Qiao Shi Meets With Bahraini, Singaporean Officials**

*OW1609185694 Beijing XINHUA in English 1357 GMT 16 Sep 94*

[Text] Beijing, September 16 (XINHUA)—Qiao Shi, chairman of the Standing Committee of the National People's Congress, met respectively with a delegation from Bahrain's Consultative Council headed by its chairman Ibrahim Humaydan, and Tan Soo Khoo [name as received], speaker of the Parliament of Singapore, in the Great Hall of the People here today.

After extending a welcome to Humaydan on behalf of Chinese President Jiang Zemin, Premier Li Peng and the NPC Standing Committee, Qiao Shi said the chairman's visit would help enhance the friendship and mutual understanding of the two peoples.

The visit would also benefit the further bilateral co-operation between the two countries in various fields, Qiao said.

China has always adopted an active and co-operative attitude of supporting the Bahraini and other Arab peoples in their just struggles and other endeavors, he noted. China and the Arab countries also share views on many international issues, he noted, adding that all this provides a good basis for broader co-operation between China and the Arab countries.

Humaydan said the Bahrain Government and its leaders and people all hold China in high regard and wish to constantly advance their co-operation with China.

### **'Newsletter' Views Jiang's Embassy Visits**

*OW1909102094 Beijing XINHUA Domestic Service in Chinese 0716 GMT 18 Sep 94*

[Newsletter by RENMIN RIBAO reporter Zhang Liang (1728 0081) and XINHUA reporter Li Hongqi (2621 4767 2475)]

[Text] Beijing, 18 Sep (XINHUA)—Amid the pleasant September continental European weather with clear autumn sky and crisp air, President Jiang Zemin returned to Beijing on 13 September after successfully

concluding his 10-day Europe tour. Despite his tight daily schedules with one program closely following another, President Jiang still managed to take time off to visit Chinese Embassy staff in the three countries he visited, giving cordial speeches with sincere words and earnest wishes that have greatly motivated the attending comrades.

President Jiang visited embassy personnel in Russia on the third day after his arrival in Moscow and, amid a cheerful talk and laughter, cordially shook hands and held conversations with them and inquired about their work and living conditions. Earlier the same morning, he and his party visited the Russian Astronautics Control Center where they were deeply impressed with the astronauts' devotion. President Jiang told the embassy personnel about his meeting a four-time astronaut and how spaceship troubles developed in one of his trips that nearly made his return journey impossible. This calm and resourceful astronaut was safely back on earth after fixing the troubles with indomitable efforts and was again seen taking up another space mission without any hesitation. President Jiang said that it will be impossible to make it without a strong professional devotion and a spirit of dedication to science—something that we should emulate. Proceeding from there, President Jiang touched on the importance of attaching equal importance to both material and spiritual civilizations, saying that while striving for a better material civilization, we must also do well in building socialist spiritual civilization. There will be no hope for any nationality that involves itself in money worship by placing money above anything else. No matter what profession you may be in, you should not be too keen in seeking credit, fame, and interest. To build spiritual civilization, it is necessary not only to inherit and carry forward the fine cultural traditions of the Chinese nation, but also to absorb the fine cultures of all other countries, including Western countries. A nationality may degenerate in the absence of a spiritual pillar and a high spirit of continuous self-improvement to seek positive advancement.

President Jiang enthusiastically visited the renowned Badun Smelting Research Institute in Kiev on the morning of 8 September. In a meeting with embassy staff soon after that, he went straight to the point by saying that he was a bit reluctant to leave the institute—a large, comprehensive complex integrating scientific research with production that continuously engages itself in upgrading smelting technology for wide application to the astronautics, atomic energy, machine-building, and electronic industries. Praising the researchers' deep devotion and positive enterprising spirit, President Jiang said: People should have professional devotion, without which there will be nothing to accomplish. Everyone is in the pursuit of a better future; however, without hard work of today, there will be no better off tomorrow. At this juncture, President Jiang quoted a touching example of a successful peasant in the Yimong mountain area who once in his younger days had to beg for food because he came from a poor family. After making his millions



with his excellent business management in recent years, the peasant used all his money to set up collective enterprises in his village. When I asked him why, he told me that we all came to this world stark-naked and will eventually leave the same way; when most of my fellow villagers remain comparatively poor, what's the point for me to personally hold such a large amount of money? I am deeply moved that such a mentality should have come from a peasant. We should promote and encourage this kind of mentality. Trying to convey a deep and far-reaching meaning, President Jiang said: The pursuit of any fine cause will not materialize without hard struggle. English poet Shelley's verses "Winter is Already Here; Can the Spring be Far Away?" simply conveyed something to this effect.

France was the last leg of President Jiang's European tour. Visiting embassy staff on the eve of his departure for home, President Jiang said that during his talk with French leaders and in contacts with personages from various sectors, he discovered their keen interest in China's long history and splendid culture. This is indeed the pride of the Chinese nationality and an inexhaustible treasure-house. We should not only persist in inheriting and carrying forward the fine cultural tradition of the Chinese nationality, but also make efforts to absorb all fine advanced cultural achievements of the West. On questions put forward by Western journalists on China's political restructuring, President Jiang said: While developing the socialist market economy, we also want to actively push forward political restructuring; however, we will never duplicate the mode of Western parliamentary democracy. Democracy in this world has all along been relative and concrete and not abstract and absolute, with its nature and content to be decided by and adapted to the state conditions of various countries. The democracy we are going to develop is socialist democracy and building socialist democratic politics is the objective of our political restructuring. Comrades must have a clear understanding of this point. Of course, we will not refuse to learn and draw lessons from certain progressive factors in the process of developing the Western democracy.

President Jiang made all three speeches based on impressions he gathered from his local visits, delivering in such a lively, vivid manner and with such inspiring and motivating effects that he was repeatedly interrupted by applause. Firm handshakes, cordial conversations, repeated greetings and wishes, and multiple group photos have deeply touched the dear ones far away from the motherland. They all vowed to conscientiously study and implement guidelines contained in President Jiang's speeches, improve their diplomatic tasks, and add more strength to the motherland's reform and development.

#### **IPU Congress Adopts Human Rights Resolution**

*OW1709173094 Beijing XINHUA in English 1518  
GMT 17 Sep 94*

[Text] Copenhagen, September 17 (XINHUA)—The 92th Congress of the Inter-Parliamentary Union (IPU)

today adopted a resolution on strengthening national institutions and organizations of society which play a role in promoting and safeguarding human rights.

The position presented by Zhu Qizhen, vice-chairman of the Chinese delegation representing Asia-Pacific countries, was included in the resolution adopted by the drafting committee.

Zhu emphasized the importance of allowing countries to have differing models and institutions for promoting and protecting human rights, in accordance with the specific situation in those countries.

This view gained the support of many delegations and was written into the final resolution.

The IPU also adopted a resolution on international cooperation and national action to support social and economic development and combat poverty, and a resolution on implementing commitments agreed to in the Uruguay Round of multilateral trade negotiations.

The IPU elected Ahmad Fathi Sorour [name as received], the speaker of the Egyptian People's Assembly, as the new rotating chairman of the board of governors, replacing Sir Michael Marshall.

The IPU Congress formally closed today after one week of meetings.

#### **CCTV To Hold 'China TV Film Weeks' in 125 Countries**

*OW1909181594 Beijing XINHUA in English 1605  
GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—China Central Television (CCTV) will hold "China TV film weeks" in 125 countries and regions in celebration of the 45th anniversary of the founding of the People's Republic of China, October 1.

This will be the largest activity of its kind ever held by China.

The TV programs will be mainly on China's geography, population, culture, education, economy and everyday life. They have been translated into nine languages.

According CCTV, some 80 percent of the foreign TV stations which will show the programs are state-run.

Nine TV stations in the United States will carry the programs.

#### **U.S. Military Assessment Team Arrives in Cambodia**

*OW1709201594 Beijing XINHUA in English 0838  
GMT 17 Sep 94*

[Text] Phnom Penh, September 17 (XINHUA)—A U.S. team headed by Brigadier-General Mark Hamilton arrived here today on a five-day visit to Cambodia.



The team, which was made up of four military experts, will begin assessing the country's military needs.

Hamilton said the four-man team would meet senior Cambodian Government ministers and officials and representatives of other governments involved in the provision of non-lethal military aid to Cambodia.

A senior U.S. official said on Wednesday [14 September] that his country will provide Cambodia a non-lethal military aid of 50 million U.S. dollars between 1994 and 1996.

### United States & Canada

#### **Qian Qichen, Wu Xueqian Meet Former U.S. Defense Secretary**

OW2009134594 Beijing XINHUA in English 1239  
GMT 20 Sep 94

[Text] Beijing, September 20 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met here this afternoon with a group of Republicans of the U.S. headed by former Secretary of Defense Donald Rumsfeld.

Qian and the visitors exchanged views on issues of common concern.

After the meeting, Wu Xueqian, vice-chairman of the Chinese People's Political Consultative Conference National Committee met with and hosted a banquet for Rumsfeld and his party.

Wu is also president of the Chinese Association for International Understanding.

The U.S. visitors arrived here today as guests of Wu's association. Apart from Beijing, they are scheduled to visit Shanghai.

#### **U.S. Firm Holds Petroleum Technology Symposium in Shanghai**

OW2009180194 Beijing XINHUA in English 1507  
GMT 20 Sep 94

[Text] Shanghai, September 20 (XINHUA)—The Caltex Company of the United States is seeking more co-operation opportunities in China and will provide its best technology to Chinese business partners, an executive of the company said here today.

L.J. Burke, general manager of the company's Product and Technology Development Department said, "China, which enjoys a rapidly-growing economy, is an ideal place for investment and co-operation for our company."

Early this year the company set up a subsidiary in Lanshan Port in Shandong Province to provide quality asphalt for expressway construction in China, he said.

It also opened a joint refueling venture in Taicang City near Shanghai to provide quality lubricating oil and other oil products for the local market, he said.

It plans to set up refueling stations in Suzhou in Jiangsu Province, Tianjin, Beijing and Hainan Province, and joint oil refineries in other areas, he added.

The Caltex Company operates in Asia, Africa and the Middle East. It has an annual turnover of 15 billion U.S. dollars.

Burke said, "I think my company can provide enough quality lubricating oil and fuel oil to meet China's needs."

He said that his company had scored successes in co-operating with Chinese companies.

For example, in the early 1980's it launched joint ventures in Shenzhen and Zhuhai, two special economic zones in south China's Guangdong Province.

It opened a representative office in Beijing in 1985 and bought majority shares in a big firm in Shenzhen in 1989. It launched a joint lubricating oil venture with the Gaoqiao Oil Refinery in Shanghai in 1991.

Burke is attending a Caltex-sponsored international symposium on petroleum technology, now in session here.

It is the first time that such a symposium has been held in China.

#### **Specialist Interviewed on Sino-U.S. Relations**

HK2009100994 Hong Kong WEN WEI PO in Chinese  
17 Sep 94 p a2

["Special article": Report on interview with Wang Jisi, director of the Institute of North America under the Chinese Academy of Social Sciences, by staff reporter Yang Fan (2799 1581) and trainee reporter Yang Yang (2799 2799), in Beijing; date not given: Sino-U.S. Relations: Improvement Made Amid Conflicts—Interview With Wang Jisi, Specialist on U.S. Issue"]

[Text] Beijing 16 Aug (WEN WEI PO)—State President Jiang Zemin disclosed not long ago that he would meet U.S. President Bill Clinton at the second informal APEC [Asia Pacific Economic Cooperation] meeting for state leaders to be convoked this coming November. This will be the second contact between the Chinese and U.S. supreme leaders since the Seattle conference last year. In conjunction with the fruitful reciprocal visits by senior Chinese and U.S. officials, and with Jiang Zemin's sending an invitation to Clinton to visit China over the past period, the conclusion drawn by quite a number of people could be quite close to that of U.S. Commerce Secretary Ron Brown, which is that a new age of Sino-U.S. relations has begun.

On this issue, Wang Jisi, well-known specialist on U.S. issues and director of the Institute of North America under the Chinese Academy of Social Sciences, holds a

meticulous but optimistic view. He believes that these are intermediate steps in a gradual turn for the better in Sino-U.S. relations; furthermore, there remains potential for the two sides to improve their relations further. Nevertheless, he reminded people not to neglect the hidden contradictions in Sino-U.S. relations.

#### **Relations Are Gradually Turning for the Better**

To Wang Jisi, the so-called "new age in Sino-U.S. relations" began last November, when Jiang Zemin and Bill Clinton met for the first time at the Seattle summit, on the grounds that it broke the deadlock of no contacts between Chinese and U.S. supreme leaders since Bush's China visit in 1989. On 26 May this year, the United States extended the MFN trade status to China basically without any additional conditions, which represented quite significant progress in Sino-U.S. relations. The reciprocal visits by senior Chinese and U.S. officials, and the friendly attitude between them were just the intermediate steps in a gradual turn for the better in bilateral relations.

However, there are still some short-term issues that call for solutions. For example, the economic sanctions against China since 1989 have not yet lifted, and the ties between senior leaders have not yet been restored to the level prior to 1989. The U.S. attitude toward China's restoring its GATT membership is not clear enough, and has even laid hurdles on the way.

Furthermore, Director Wang indicated that there are four major hidden dangers in the development of Sino-U.S. relations.

#### **Four Hidden Dangers**

First, the issue of security: There are differences between China and the United States over the issues of what sort of security mechanism should be built in the Asia-Pacific Region, the North Korean nuclear issue, and the view of China's military expenditures. In particular, some people in the United States put forward the "theory of threats from China," resulting in the abnormal political atmosphere in bilateral relations.

Second, the issue of economic relations and trade: Although Sino-U.S. trade and economic relations are basically normal today, and U.S. investments in China are growing continuously, there have been constant disputes over intellectual property rights, the fast knot of China's "restoration of GATT membership" remained unraveled, and there remain conflicts of interest on the issue of market access.

Third, the human rights issue: The United States constantly picks at China on the Tibet issue, the planned parenthood policy, the policy on religion, and the political structure, and the U.S. position does not coincide with that of China.

Fourth, the Taiwan issue: The U.S. Government stated that it would reassess U.S. policy toward Taiwan. It is

not clear today what this implies, but it is an objective fact that Taiwan is viewed as an independent political entity in the argument on strengthening substantial relations with Taiwan. Furthermore, some people even advocate the escalation of U.S.-Taiwan relations on a non-governmental basis, as a stake to add pressure on the mainland. Wang Jisi estimated that should the United States readjust its policy toward Taiwan, then it likely would develop in the direction of being unfavorable to Sino-U.S. relations.

#### **The Absence of Dominant Thinking**

U.S. foreign policy is an important factor deciding Sino-U.S. relations. In his opinion, Wang Jisi believes that the U.S. diplomatic strategic decision is in a period of comparative confusion. He says that Clinton all along has concerned himself with domestic issues, and does not know much about China. He relies mainly on the decision-makers at the State Department and the National Security Council, and this team of decision-makers is in readjustment. There has been much criticism by U.S. public opinion against some U.S. decision-makers, and the voice demanding their removal from office is growing stronger than ever.

At present, there is no dominant diplomatic thinking in U.S. policy toward China. Some people firmly grasp the human rights direction; some pursue the traditional military-diplomatic thinking as the magic wand; others pay attention to the population and pollution issues; still others give economic interests top priority, with Commerce Secretary Ronald Brown as their representative. However, such comparatively pragmatic diplomatic thinking can hardly possess an overwhelming majority. These uncertain factors in U.S. diplomatic policy have cast several variables in the development of Sino-U.S. relations.

From another angle, Wang Jisi believes that the improvement in Sino-U.S. relations will be helpful to China's economic development, and here lies China's interest. However, China will not improve relations for that matter alone, and will not give up its basic interest for improvement in relations.

Summarizing the above, he says that it is pleasing that China and the United States are unfolding cooperation and conducting talks in some arenas, and there is still space for improving relations; however, potential contradictions also have decided the possibility of frictions, which determine that such improvement is not without limitations, and improvement exists only in such frictions.

#### **Central Eurasia**

##### **Moscow, Beijing Deal on Su-27's 'Shelved'**

HK2109083194 Hong Kong LIEN HO PAO in Chinese  
21 Sep 94 p 10

[By Chou Te-hui (0719 1795 1920): "Sales of Russian Su-27's to China Have Been Shelved"]

[Text] Moscow, 21 Sep—An arms deal between Russia and China has struck a big snag. According to the latest news, the mainland authorities planned to buy another 24 Su-27's from Russia this year, but the deal, involving about \$100 million dollars, has been shelved for the time being because the two sides failed to reach agreement on price and mode of payment.

Beijing planned to spend \$5 billion on Russian weapons and military facilities this year. The items included in Beijing's order were: Su-27's, S-300 missiles, and Su-33's. But Russia refused to provide Su-33's, saying "the fighters are being developed." It is learned that the mainland purchased 26 Su-27's from Russia last year. If another 24 were added, Beijing would have 50 sophisticated fighter planes, which would greatly boost the fighting capacity of its air force.

According to a Russian source, the two sides have actively entered negotiations on arms deals. The Russian side offered the Su-27 for \$30 million, but Beijing hoped to lower the price by 50 percent to \$15 million.

Regarding payment, the Russian side insisted on payment in cash while the Chinese side considered it more appropriate to "exchange goods for goods," hoping to exchange civilian goods for Su-27's.

The source said that although the mainland and Russia are important military partners for each other, they give top priority to their "interests" in the arms deal due to changes in subjective and objective conditions. If they have great differences of opinion, they will not close the deal against their will.

The source stressed that the Russian side would have to take "national security" into account in formulating its arms sales policy to China. If too many sophisticated weapons are sold to China, would they constitute a threat to Russia? This is a possibility the Russian military has to reassess.

The source said the Russian side would appraise various factors before considering reopening talks on the arms deal with Beijing.

#### **Astronautics Conference With Russia, Ukraine Closes**

OW2009141094 Beijing XINHUA in English 1310 GMT 20 Sep 94

[Text] Xian, September 20 (XINHUA)—The third China, Russia and Ukraine astronautical science and technology conference closed today in this capital city of northwest China's Shaanxi Province.

The four-day conference, drawing more than 250 experts from the three countries, discussed a series of technical problems calling for immediate solution.

The conference provided experts from the three countries with opportunities not only for exchanging views

but also for long-term cooperation within their respective academic fields, said Liu Jinsheng, vice-chairman of the conference.

The three countries are planning to set up an astronautics association to promote astronautical technology in their countries, according to the conference.

The fourth conference, to be held in 1996 in Kiev, capital of Ukraine, will mainly cover topics such as the monitoring and remote observation of ecologies on the surface of the earth as well as the use of natural resources, communication systems and ground communications.

The two previous conferences were held in 1991 and 1992 in Harbin, capital of northeast China's Heilongjiang Province and Saramen city in Russia, respectively.

Du Shanyi and Jia Jun, two professors from the Harbin University of Industry in Heilongjiang, and Lu Xuefu, a professor at the Northwest University of Industry in Shaanxi Province were awarded medals by the Russian Astronautics Association during the conference.

The association has conferred medals on a number of Chinese astronautical experts who have made outstanding contributions to the development of China's astronautical technology.

#### **Kazakh Border Defense Commander Visits Xinjiang**

OW1809100594 Urumqi Xinjiang Television Network in Mandarin 1330 GMT 15 Sep 94

[Announcer-read report over video; from the "Xinjiang News" program]

[Text] Wang Yousan, vice chairman of the Xinjiang Autonomous Regional Government, cordially met with Major General (Zhajiyev), commander of the border defense force of the Republic of Kazakhstan, and his party in the Xinjiang People's Hall on 14 September evening.

Wang Yousan said: China and Kazakhstan are friendly neighbors with a long common boundary line. To further promote friendship between the Chinese and Kazakh people, particularly to strengthen friendly relations and cooperation in all fields between the Chinese and Kazakh border defense organizations, conform to the common interests of the two countries.

(Zhajiyev) said: The border trade between Kazakhstan and China has expanded constantly in recent years. We are willing to make efforts to further develop bilateral border trade.



**Northeast Asia****Li Lanqing Meets With Japanese Auto Industry Executives***OW2009135094 Beijing XINHUA in English 1253  
GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Chinese Vice-Premier Li Lanqing met here this evening with a delegation from Isuzu Motors Ltd of Japan, headed by its President Seki Kazuhira, and they exchanged opinions on issues of common interest.

The Japanese delegation arrived here September 18 at the invitation of the Ministry of the Machine-Building Industry and the China Merchants' Group.

**Beijing Mayor Meets Auto President***OW2009180694 Beijing XINHUA in English 1457  
GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Beijing Mayor Li Qiyang told Japanese guests today that the Beijing Municipal Government backs co-operation between the city's automobile builders and the Isuzu Motors Ltd. of Japan.

In a meeting with Seki Kazuhira, president of the Japanese Company, Li expressed the hope that such co-operation would proceed at a rapid pace and in a comprehensive way.

Seki Kazuhira promised that his company would use its best technology and equipment in co-operating with automobile manufacturers in Beijing.

"I think China is the most important market for my company," he said.

The Japanese company is expected to sign letters of intent soon on the co-production of Isuzu mini-buses, trucks and engines with the Beijing Light Automobile Company and the Beijing Tourism Automobile Company.

It is expected to launch its first joint venture in China's capital later this year.

**Beijing, Seoul Enjoy Growing Partnership, Competition***OW2109033794 Beijing XINHUA in English 0246  
GMT 21 Sep 94*

[Text] Beijing, September 21 (XINHUA)—China has become the largest investment market, third-largest trade partner and the toughest competitor of the Republic of Korea (ROK) only two years after the two established formal diplomatic ties.

The "INTERNATIONAL BUSINESS NEWS" quoted on Saturday [17 September] a report published by the ROK Trade Association last August to mark the second anniversary of diplomatic ties.

The report said that in 1991 the bilateral trade volume was only 4.4 billion U.S. dollars, but by the end of 1993 the figure had climbed to 9.1 billion U.S. dollar, making China the ROK's third-largest trading partner after the United States and Japan.

The report estimated that the bilateral trade volume this year would probably hit 12 billion U.S. dollars.

The report noted that the ROK's exports to China increased by 20 percent in the first seven months of the year, compared with 100 percent throughout last year, while its imports from China rose by 40 percent in the same period, almost eight times the rate of last year.

In 1993 the ROK enjoyed a favorable balance of trade of 1.2 billion U.S. dollars. The report expected that the surplus this year would shrink to 800 million U.S. dollars, and that a deficit is possible by the year 2000.

In 1991 the investment by the ROK in China came to 120 million U.S. dollars. By the end of 1993 the investment had increased to 570 million U.S. dollars, exceeding the ROK's investment in any other nation, the report said.

When the two countries first started trade, the ROK was exporting steel, petrochemicals and machinery to China, and importing primary and labor-intensive products from China.

Two years later, however, the report said, China is nibbling away at the market share that used to be occupied by the ROK not only in light industry, but also in home electrical appliances and other technology-intensive products.

In 1989 China caught up with the ROK in the volume of trade with the European Community. In 1990 it surpassed the ROK in trade with Japan. "It is becoming a powerful competitor in the global market," the report.

**Southeast Asia & Pacific****Wen Jiabao Meets Malaysian Party Group***OW2109102794 Beijing XINHUA in English 0941  
GMT 21 Sep 94*

[Text] Beijing, September 21 (XINHUA)—The Communist Party of China (CPC) and the National Front of Malaysia announced the establishment of their official ties here today.

During a meeting at the Diaoyutai State Guesthouse here at noon today, Wen Jiabao, alternate member of the Political Bureau and member of the Secretariat of the CPC Central Committee, and Secretary-General of the Malaysian National Front Mohamed Rahmat [name as received] voiced joy over the establishment of the new ties between the two ruling parties.

The CPC is willing to forge and develop friendly relations with Malaysia's National Front in accordance with

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the principles of independence, complete equality, mutual respect and non-interference in each other's internal affairs, Wen noted.

He expressed the conviction that these party-to-party links will serve to enhance friendship and cooperation between the two governments and the two peoples.

Maintenance and development of Sino-Malaysian friendly relations and cooperation conforms with the fundamental interests of the two peoples and benefits peace, development and stability in the Asia-Pacific region and the world at large, he stressed.

Rahmat said that he was very pleased with the forging of the ties with the CPC. Malaysia holds that differences in ideologies and social systems should not hinder the development of relations between political parties, he said.

Establishing and developing ties between the Malaysian National Front and the CPC is extremely beneficial to both governments and peoples, Rahmat noted.

Rahmat and his party arrived here on Tuesday [20 September] for a visit to China, which is aimed at establishing ties with the CPC. This is the first official delegation to China from the National Front of Malaysia.

This morning, Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, held working talks with Rahmat. The two sides exchanged views on the forging of the friendly ties between the two parties and issues of common interest.

After the meeting, Wen hosted a banquet for the Malaysian visitors.

#### **Singaporean Companies Expand Joint Trade, Investment**

*OW1809142194 Beijing XINHUA in English 1348 GMT 18 Sep 94*

[Text] Xiamen, September 18 (XINHUA)—Singapore has become a major trading partner of China as more and more Singaporean companies are keen on investing in and expanding trade with China.

Sixteen Singaporean companies formed a trade delegation to attend an investment and trade fair held recently in Xiamen, a special economic zone in Fujian Province. They signed a number of cooperation agreements with Chinese firms during the fair.

A business executive in the Singaporean trade delegation said that Singaporean firms enjoy many special advantages in investing in China. For example, they are familiar with the conditions in China and have many relatives and friends in China.

Singaporean enterprises are now pouring large amounts of investment in China, in such sectors as manufacturing, farming, finance, real estate and tourism. Xiamen alone has 30 Singaporean-funded companies.

They are funding the construction of a 70 sq km industrial development garden in Suzhou, a manufacturing center in coastal Jiangsu Province.

In Shanghai, they are financing the construction of a number of factories in the Pudong New Area, designed for overseas investment.

Joining hands with investors from Southeastern Asia, they are now planning to make investment in the Haicang Economic Development Zone many relatives and friends in China.

Singaporean companies are trying to make full use of China's rich resources and abundant labor. Many of them have been successful.

Last year, Singaporeans set up a factory in Quanzhou, Fujian Province, to produce welded steel pipes. The factory turned out 100 million yuan worth of goods in the first eight months of this year. The factory manager said that its success should be attributed to the excellent engineers from Shanghai and advanced management copying from Singapore.

Some successful Singaporean investors have now expanded their business in China.

#### **Fijian Prime Minister Rabuka Arrives in Beijing**

*OW1909071994 Beijing XINHUA in English 0654 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—Major General Sitiveni Rabuka, prime minister of the Republic of Fiji, arrived here this afternoon, on a six-day official visit to China at the invitation of Chinese Premier Li Peng.

This is Rabuka's first visit to China as prime minister.

His entourage include Mrs. Rabuka, a minister in charge of finance and economic development and a minister in charge of commerce, industry, trade and enterprises.

During his stay in Beijing, Rabuka is scheduled to meet senior Chinese leaders. Officials of the two governments will also discuss issues concerning economic cooperation and trade.

Rabuka and his party were greeted at the airport by Yang Xianzu, chairman of the Chinese Government Reception Committee and vice-minister of posts and telecommunications, and Liu Huaqiu, vice-foreign minister.

Premier Li Peng is to preside over a welcome ceremony for and hold talks with Rabuka later today.

The Fijian visitors are also scheduled to tour Hangzhou after their stay in Beijing.

#### **Li Peng Meets Rabuka**

*OW1909143094 Beijing XINHUA in English 1358 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—Chinese Premier Li Peng said here today that China, as a country in

the Asian-Pacific region, will not change its policy of developing long-term, stable and good-neighborly relations with the other Asia-Pacific nations.

Li made the remark during his talks with Fijian Prime Minister Major General Sitiveni Rabuka in the Great Hall of the People.

Li called the South Pacific an important part of the Asia-Pacific region. He said China is happy to see that the political situation in the South Pacific nations has been relatively stable in recent years and that there has been a trend of resolution of disputes through peaceful negotiations.

He said China "sincerely hopes that the situation in the South Pacific region will continue to remain stable."

China supports the efforts of the South Pacific nations to safeguard their sovereignty and territorial integrity. China also supports the intentions of the South Pacific nations to develop their national economies and strengthen regional cooperation, Li told his guest.

China will, as it has always done in the past, continue to make efforts to develop friendly relations and cooperation with South Pacific countries, and to safeguard peace and stability in the Asia Pacific region and the world as a whole, Li said.

A Chinese Foreign Ministry official said Li and Rabuka exchanged views on bilateral relations, the international and regional situations and other issues of common concern.

On bilateral ties, Li said Fiji was the first South Pacific nation to establish diplomatic relations with China.

Since the two countries set up diplomatic ties 20 years ago, Li said, bilateral relations have been growing well, and economic and trade cooperation has also seen "practical results." He added that China is happy to see these developments.

Li noted that China and Fiji have many points in common, and there are good conditions for friendly cooperation.

Both China and Fiji are developing countries and are faced with the common tasks of developing their national economies and improving their people's living standards; both countries need to maintain stability and unity so as to focus on economic construction; both countries are in the Asia-Pacific region, where the political situation is relatively stable, the economy is growing rapidly and regional cooperation has great potential, Li explained.

Li said that, to maintain peace and stability in the Asia-Pacific region and to enhance the mutually beneficial cooperation among countries in the region is not only in the interests of the Chinese and Fijian peoples, but is conducive to the peace and prosperity of the whole Asia-Pacific region.

Li said the economic cooperation and trade relations between China and Fiji have a good basis and good prospects. He told Rabuka that China is willing to make joint efforts with Fiji to promote bilateral relations to a new level on the basis of mutual respect and trust, equality and mutual benefit.

Rabuka, visiting China for the first time as prime minister, said that bilateral relations have been strengthened since Fiji and China set up diplomatic ties.

He told Li that he had brought with him some cabinet members who are in charge of Fiji's economy and trade on the visit, and that the purpose of doing so is to explore ways for economic cooperation and trade with China.

Rabuka also praised China's role in international affairs, and he thanked China for its support for Fiji within the United Nations.

Rabuka also invited Li to visit his country. Li said he would be pleased to visit Fiji at a time convenient for both sides.

Rabuka arrived here earlier today on a six-day official visit to China as Li's guest.

His entourage includes Mrs. Rabuka, and the Fijian ministers for finance and economic development, commerce, industry, trade and public enterprise.

Prior to the talks, Li held a ceremony to officially welcome the Fijian prime minister.

In the evening, Li hosted a dinner in honor of the guests.

### Jiang Zemin Meets Premier

OW2009133394 Beijing XINHUA in English 1245  
GMT 20 Sep 94

[Text] Beijing, September 20 (XINHUA)—Chinese President Jiang Zemin met here today with Fijian Prime Minister Sitiveni Rabuka, and the two had a friendly conversation.

Rabuka first came to China in 1990 as commander-in-chief of the Fijian armed forces. The current visit is his first since he became Fijian prime minister.

Jiang said, "We appreciate the importance that Prime Minister Rabuka attaches to the development of Sino-Fijian friendly relations."

Jiang said the world today is experiencing profound changes, and peace and development remain the main urgent tasks of international society.

He said the economy of the Asia-Pacific region has great potential, creating good conditions for its development.

China and Fiji, both of which are developing countries in the Asia-Pacific region, should further strengthen cooperation in international affairs as well as in developing economic relations and trade so as to make contributions to maintaining peace and stability in the region.



Jiang told the guest that China pursues an independent foreign policy of peace and is striving for creating a long-term stable international environment.

He went on to say that China holds that all countries should respect each other, seek common grounds while reserving differences, treat each other equally and co-exist peacefully.

"China attaches importance to the relations with the developing nations, including Fiji, and regards the unity and cooperation with these countries as an important part of the country's diplomatic moves," Jiang said.

"We are willing to make joint efforts with Fiji to establish stable friendly relations which will last into the next century," he added.

Rabuka said the development of China's economy has not only promoted the prosperity of the Asia-Pacific region, but also brings opportunities for the development of Fiji.

He expressed the hope that the existing friendship and economic cooperation and trade ties between the two countries would be further strengthened through his current visit.

#### **Qian Qichen Meets Rabuka**

*OW2009134794 Beijing XINHUA in English 1250  
GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met here today with Fijian Prime Minister Sitiveni Rabuka.

Qian said bilateral relations have been growing well since China and Fiji established diplomatic relations in 1975.

The exchange of visits between leaders and personnel of different levels has increased mutual understanding, trust and friendship between the two countries, Qian said.

He noted that China attaches great importance to its relations with Fiji.

During Rabuka's visit officials of the two governments and business people of the two countries will discuss issues concerning economic cooperation. Qian said this will promote the overall development of bilateral ties, particularly economic and trade ties.

Rabuka said Fiji and many other countries worldwide are paying great attention to China's economic development.

He said the Fijian Government has always recognized the government of the People's Republic of China, a member of the United Nations Security Council, as the sole legal government of China.

He added that Fiji will not do anything to harm China's sovereignty and territorial integrity.

Qian said he appreciated this position of the Fijian Government.

#### **Rabuka Addresses Investment Seminar**

*OW2009081394 Beijing XINHUA in English 0735  
GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Visiting Fijian Prime Minister Sitiveni Rabuka said here today that the Fijian Government welcomes Chinese investment and cooperation with China's business, trade and industrial circles.

Speaking at the opening session of the Fiji business promotion seminar, held here this morning, Rabuka said "one main purpose" of his visit is to "demonstrate the importance" his government attaches to the relations with China.

Rabuka arrived here yesterday at the invitation of Chinese Premier Li Peng. On his delegation are two Fijian cabinet ministers in charge of economic and trade affairs and some 30 representatives from Fiji's industrial and business circles.

Shi Guangsheng, Chinese vice-minister of foreign trade and economic cooperation, said at the seminar that Fiji is one of China's biggest trading partners in the South Pacific region.

Statistics from the Chinese customs show that the total trade volume between China and Fiji in 1993 was seven times that of 1975 when the two countries set up diplomatic ties.

According to Shi, China's exports to Fiji range from airplanes and ships to daily necessities, and Fiji has now started exports to China.

Now there are 11 Chinese-funded enterprises in Fiji with a total investment of 5.4 million U.S. dollars. Areas of cooperation include textiles and electrical appliances.

Shi said he believes that, with the development of Sino-Fijian economic and trade relations, there will be more and more Chinese enterprises to invest in Fiji.

#### **West Europe**

#### **Vice President Rong Yiren Meets Austrian Press Delegation**

*OW2009105794 Beijing XINHUA in English 0951  
GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—Vice-President Rong Yiren met here today with an Austrian delegation from the "KLEINE ZEITUNG" led by chief editor Fritz Csoklich.

At the Great Hall of the People, Rong answered the visitors' questions.

When asked about the Chinese economic situation, Rong said, the Chinese economy is developing rapidly thanks to the correct policies of reform and opening up and of taking economic construction as the score. [sentence as received]

There have been social stability and a rising living standard of the people, Rong said.

Although some problems appear during the course of development, Rong noted, the Chinese Government is able to adopt measures in time and solve them.

When asked to comment on the relations between China and the Western countries, Rong pointed out that countries, no matter big or small, rich or poor, should respect each other on the basis of equality.

It's not strange that different countries have different views because of the difference in their own historical conditions, geographical environment, cultural background and social systems, Rong said, adding that they could enhance mutual understanding through exchanges and seek common points while keeping differences.

The Austrian visitors said that they would like to make contributions to friendly cooperation between Austria and China.

Rong said he hoped the delegation could bring the friendly feelings of the Chinese people back to their country.

The delegation, consisting of chief-editors and deputy chief-editors of five news units in Austria, are here as guests of the All-China Journalists Association.

#### **Defense Minister Chi Haotian Meets Austrian Visitors**

*OW2109025894 Beijing XINHUA in English 0242 GMT 21 Sep 94*

[Text] Beijing, September 21 (XINHUA)—General Chi Haotian, Chinese State Councillor and minister of national defence, met with Peter Corrieri, director of the general logistics department of the Austrian Armed Forces, and his party here this morning.

During the meeting, Chi and Corrieri exchanged views on relations between the armed forces of the two countries.

#### **PLA General Meets With Visiting Austrian Delegation**

*OW1809141294 Beijing XINHUA in English 1243 GMT 18 Sep 94*

[Text] Beijing, September 18 (XINHUA)—Fu Quanyou, member of the Central Military Commission and director of the general logistics department of the Chinese People's Liberation Army (PLA), met here today with Peter Corrieri, director of general logistics department of the Austrian Armed Forces.

Corrieri and his party are here on a visit at the invitation of the PLA General Logistics Department.

#### **Vice Premier Li Lanqing Meets British Trade Visitors**

*OW1909091994 Beijing XINHUA in English 0831 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—Chinese Vice-Premier Li Lanqing met with Michael Palliser, president of the Britain-China trade group, and his party here this afternoon.

The British visitors arrived here yesterday. In addition to Beijing, they are also scheduled to visit the cities of Shanghai and Nanjing.

#### **Li Lanqing Meets British General Electric Chairman**

*OW2109073494 Beijing XINHUA in English 0708 GMT 21 Sep 94*

[Text] Beijing, September 21 (XINHUA)—Chinese Vice-Premier Li Lanqing met with Lord James Prior, chairman of the British General Electric company, and his party at the Diacyutai State Guesthouse here this morning.

Lord Prior and his party have come to visit China at the invitation of the China International Trust and Investment Corporation (CITIC), and CITIC chairman Wei Mingyi was present at today's meeting.

#### **Britain Cosponsors Beijing Finance, Banking Reform Seminar**

*OW1909140294 Beijing XINHUA in English 1334 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—A finance and banking reform seminar, cosponsored by British Invisibles, China-Britain Trade Group and the Bank of China (BOC) was held here today.

Chairman of the BOC Wang Qiren said at the opening ceremony here this morning that he hoped the seminar could push forward Sino-British financial cooperation.

A report by vice-governor of the People's Bank of China Chen Yuan was delivered at the seminar, titled, "China's Financial Situation and its Reform."

The report said that China is experiencing a stable and healthy financial development with a series of reform measures initiated from the beginning of this year, as well as the effective financial macro-control achieved during the first half of this year.

The report continued that the next task of China's financial work will be the control of inflation.

Meanwhile, a macro-control system is to be set up by the central bank; to promote the functions of the central bank and to keep the stability of the value of China's

currency; to perfect reform of foreign exchange system; speed up the reform of the insurance system and the construction of the financial legal system; and to promote financial opening to the outside world.

Rupert Pennant-Rea, deputy governor of the Bank of England, Britain's central bank, noted from British experience that the target of a central bank should be oriented to maintaining the stability of both the currency and the financial situation.

Chairman of Britain's National Westminster Bank Lord Alexander of Weedon said that the existing contacts between China and Britain have turned bilateral economic relations into a joint interest.

He said that, based on these contacts, the two countries can promote bilateral cooperative relations to a higher level.

About 100 representatives from concerned ministries and commissions in China, and financial bodies of the two countries attended today's seminar.

#### **French Bank Holds Board Meeting in Shanghai**

OW1809144194 Beijing XINHUA in English 1412  
GMT 18 Sep 94

[Text] Shanghai, September 18 (XINHUA)—The Banque Indosuez of France held a three-day board meeting from September 12 to 15 in Shanghai, the industrial and economic center of China.

Gerard Worms, chairman of the board of the bank, said that it is the first time for the 119-years-old bank to hold its board meeting outside France. He said that the managers of the bank wanted to show their emphasis on the development potential of Asia, China and Shanghai.

The managers of the bank, interested in Shanghai's rapid economic development, expressed the willingness of participating in the construction of Shanghai, especially the New Pudong Area in the east of the city.

The Banque Indosuez opened a branch in Shanghai, the first of its kind, three years ago. It has also established an office in Beijing, a branch in Shenzhen Special Economic Zone in south China's Guangdong Province, and a branch in Guangzhou, capital of Guangdong Province.

Huang Ju, mayor of Shanghai, met Worms during the bank's meeting.

#### **Beijing, Paris Launch Joint Economic Council**

OW2109022394 Beijing XINHUA in English 0203  
GMT 21 Sep 94

[Text] Paris, September 20 (XINHUA)—A French-Chinese economic council has been established in Paris for the promotion of exchange between France and China, according to a council statement released to XINHUA today.

France, which has maintained historic ties with China, should miss no opportunity to promote economic, trade and technological and trade cooperation with China and conclude more economic and trade contracts as a way to ease unemployment in France, the statement said.

It also said China is now known as the world's largest market and a nation of high economic growths.

Between 1988 and 1993, however, French trade with China declined, lagging far behind trade between China and the United States, Japan, Germany, Britain and other nations.

With the state visit to France by Chinese President Jiang Zemin earlier this month, the door has been opened for resuming and promoting overall Sino-French relations and creating new opportunities for French companies to enter the China market, the statement said.

It was under these circumstance that the French-Chinese economic council was established at the request of French politicians, entrepreneurs, economists and scholars.

In order to facilitate economic, trade and cultural exchange between France and China, the council will launch a series of activities including the sponsorship of symposiums and academic research, assistance in publishing academic reports, establishing computer data banks and providing French companies with information on the China market, according to a senior council source.

With headquarters in Paris, the French-Chinese economic council also maintains branch offices in Lyon and Marseilles.

#### **Sino-French Trade Up 28.9 Percent in First Six Months**

HK2109042094 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0731 GMT 29 Aug 94

[Text] Paris, 28 Aug (ZHONGGUO XINWEN SHE)—Since China and France normalized their relations at the beginning of this year, trade between the two countries has continued to rise. The accumulated bilateral trade volume in the first six months of this year reached \$1.495 billion, an increase of 28.9 percent over the same period last year.

According to the figures provided by the commercial section of the Chinese Embassy to France, French exports to China from January to June this year exceeded \$883 million, an increase of 42.2 percent over the same period of 1993, while imports from China were \$611.3 million, an increase of 13.5 percent.

An analyst said that the sustained increase in trade between China and France is primarily caused by China's rapid import growth. According to statistics from Chinese customs, the total value of China's imports and exports reached \$97.5 billion in the first six months



of this year, up 25.4 percent compared with the same period last year, of which import and export volume totalled \$49.1 billion and \$48.6 billion respectively. The rapid growth of China's foreign trade will inevitably contribute to a fast-paced development in the wake of the normalization of economic and trade relations between the two countries.

During the first six months this year, more than 22 agreements on large-scale cooperative projects were signed between China and France, and the amount of investment in China by French industrial and commercial sectors exceeded \$1 billion. Among them, a number of world-famous transnational company groups, including Framatome, Alstom, and Alcatel have successfully established cooperative relations with China, which have initiated a flourishing situation in economic relations and trade between the two countries.

An expert maintains that the French economy has begun a slow recovery, which is also primarily attributed to the growth in trade between China and France [sentence as received]. The French Government has adopted preferential policies to encourage its enterprises to sell advanced products to foreign countries. This has effectively pushed forward Sino-French economic and trade cooperation.

#### **Beijing, Bonn To Build Communications Satellite**

*OW2009140694 Beijing XINHUA in English 1300 GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—China will fabricate a new type of communications satellite with Germany, it was announced here today.

The two countries have set up a joint company, the "Eurasspace GMBH", to carry out the plan, said Liu Jiyuan, general manager of the China Aerospace Corporation.

The satellite, named as "Sinosat-1", will be assembled and tested in China, and will be brought into orbit by the Chinese "Long March" launcher.

Liu didn't reveal when the satellite will be made and launched, but indicated that it will be the first flight model of the successor generation of the Dongfanghong-3 series of satellites.

The satellite's buyer is the Sinosat Special Satellite Communications Co. Ltd., which has registered in Beijing.

Liu said that Eurasspace GMBH will then make another type of communications satellite with large capacity, which is expected to have potential clients in China and Southeast Asia.

"The plan will be conducive to the two countries' co-operation in space technology," said the general manager.

China's space industry, with 270,000 workers, has sent 43 man-made satellites into the space in the past 40 years. It is now co-operating with more than 70 countries in space technology.

#### **Engineering Corporation Formed With German Firm in Liaoning**

*OW2009155194 Beijing XINHUA in English 1512 GMT 20 Sep 94*

[Text] Shenyang, September 20 (XINHUA)—An international engineering company jointly established by China's Anshan Iron and Steel Corporation and a German transnational firm has started operation in northeast China's Liaoning Province.

The Angang-SMS Schloemann-Siemag International Engineering Co. Ltd, established with a joint investment of 2.6 million Deutschmarks, will mainly engage in the designing of metallurgical equipment and the manufacturing of advanced equipment.

Li Huazhong, general manager of the Anshan Iron and Steel Corporation, said that the joint venture will first help carry out technical renovation in the Chinese steel giant so that it will be able to produce 10 million tons of steel a year.

The co-operative term will last 11 years, and the parties supplied half of the investment each.

Sales of the Anshan Iron and Steel Corporation top the nation among similar enterprises in China. Its taxes and profits are also among the biggest in the country.

A vice-chairman of the board of directors of the German company highly praised the Chinese steel corporation, saying that it has formed a solid industrial basis and is the most suitable partner to co-operate with.

The two sides signed the co-operation contracts last year following German Chancellor Helmut Kohl's visit to China.

"The establishment of the Sino-German joint venture is expected to accelerate the technical renovation of our firm," said Li Huazhong. "The co-operation will help promote equipment made by my firm on the international market. I am fully confident of the joint venture's future."

#### **CPC Delegation Led by Chen Fujin Leaves for Spain**

*OW1909084694 Beijing XINHUA in English 0703 GMT 19 Sep 94*

[Text] Beijing, September 19 (XINHUA)—Chen Fujin, a representative of the Communist Party of China (CPC) and deputy director of general office of the CPC Central Committee, left here today for Spain to attend the Spanish Communist Party festival.

Chen and his group have been invited by the Spanish Communist Party.

### Political & Social

#### Beijing Gunman Reportedly Army Company Commander

HK2109033094 Hong Kong MING PAO in Chinese  
21 Sep 94 p A2

["Special dispatch" from Beijing by unidentified "special correspondent": "The Gunman Is a PLA Company Commander Aged About 35"]

[Text] According to a reliable source, the lone gunman on Beijing's busy streets yesterday was a company commander from the Beijing Garrison Command.

It is stipulated in the "Regulations Concerning the Military Service of Chinese People's Liberation Army [PLA] Officers" that the maximum age for company-level officers is 35 years and their standard military rank is captain. From this it can be deduced that the gunman must have been under 35 years of age and that he was at least a first lieutenant but was probably a captain.

The Beijing Garrison Command where the gunman served is under the command of the Beijing Military Region but it has a special status in the Chinese Armed Forces. Its commander is usually concurrently the deputy commander of the Beijing Military Region and its political commissar is usually the secretary of the Beijing Municipal CPC Committee. The Beijing Military Command formerly consisted of four divisions. During the major troop reduction in the 1980's, one division was abolished. In the wake of the 4 June incident in 1989, all officers and men of the 3d Division were reportedly transformed into armed police. It has been learned that currently the garrison command consists of two divisions, with the 1st Division being stationed to the north of Beijing and the 2d to the east. Therefore, it is likely that the officer doing the shooting and killing at Jianguomen Flyover belongs to the 2d Division.

In the past, there have been incidents in which, due to various dissatisfactions, some PLA officers and men have shot and killed people to give vent to personal spite. The contradiction is especially acute at the end of each year when officers are transferred to civilian work and soldiers are demobilized. Some servicemen from the rural areas, who did not want to return home to do farm work, and some soldiers who failed in their aim to join the party, have turned to violence. In the 1980's, a battalion-level instructor stationed in Miyun County, Beijing, had a brush with his superior because he did not want to be transferred to civilian work. Taking his firearm with him, he drove a car toward Beijing City. Fortunately, there was some distance between Miyun County and the city itself and the instructor was shot dead by special police on the way.

#### Li Peng Chairs 25th State Council Executive Meeting

OW2009132794 Beijing XINHUA Domestic Service in Chinese 0859 GMT 20 Sep 94

[Text] Beijing, 20 Sep (XINHUA)—Li Peng, premier of the State Council, this morning presided at the 25th State Council executive meeting, which discussed and adopted in principle the "Publication Law of the People's Republic of China (Draft)," and the "Prison Law of the People's Republic of China (Draft)."

Upon discussion, the meeting opined: To develop and advance the socialist publication cause with Chinese characteristics, to guarantee our citizens' lawful right to freedom of the press, and to promote socialist material and spiritual civilization, it is necessary to formulate the Publication Law of the People's Republic of China according to the Constitution. The draft law, which covers 56 articles in seven chapters, carries stipulations on development of the publication industry; guarantees for our citizens' lawful right to freedom of the press; establishment and operation of publication units; publication of materials; printing, duplicating, and distributing publications; guarantees and rewards; and legal responsibilities. The meeting discussed the draft prison law, and opined: To effectively mete out punishment, turn criminals into law-abiding citizens, and prevent and reduce crimes, it is necessary to formulate the Prison Law of the People's Republic of China according to the Constitution.

The meeting decided that upon further amendment, the two draft laws will be submitted, according to procedures, to the National People's Congress Standing Committee for examination and approval.

#### Jiang Zemin Greetings Relayed to Shanghai Nonparty Leaders

OW2109113294 Shanghai People's Radio Network in Mandarin 2300 GMT 19 Sep 94

[From the "990 Morning News" program]

[Text] While working in Shanghai previously, Jiang Zemin, general secretary of the CPC Central Committee, had formed profound friendship with many nonparty old comrades.

Entrusted by General Secretary Jiang Zemin, Liu Yandong, deputy director of the CPC Central Committee's United Front Work Department, visited Zhou Gucheng, former vice chairman of the National People's Congress [NPC] Standing Committee, and Liu Jingji and Su Buqing, vice chairmen of the Chinese People's Political Consultative Conference [CPPCC], at the Shanghai Huadong Hospital yesterday morning [19 September]. She also visited CPPCC Vice Chairmen Ba Jin and Dong Yinchu at their residences and conveyed to these nonparty old comrades cordial greetings from General Secretary Jiang, CPPCC Chairman Li Ruihuan, and Wang



Zhaoguo, director of the CPC Central Committee's United Front Work Department. The greetings wish them a happy festival, good health, and a long life.

Liu Yandong and her party also visited Xu Yifang, vice chairman of the Shanghai Municipal CPPCC Committee and chairman of the Revolutionary Committee of the Chinese Kuomintang's Shanghai Municipal Committee, who is under medical treatment in a hospital.

Liu Yandong held a discussion meeting the same afternoon with responsible figures of various political parties in Shanghai and the Shanghai Municipal Party Committee on upholding and developing multiparty cooperation and political consultation under the CPC leadership.

### **Deng Contributes to Top-Level Personnel Changes**

*HK2109072794 Hong Kong TUNG HSIANG in Chinese No. 109, 15 Sep 94 pp 9-10*

[Article by CHENG MING reporter Li Tzu-ching (7812 5261 0079): "Deng Decides Top-Level Personnel Changes"]

[Text] On 29 August, Jiang Zemin made a two-point announcement at an enlarged session of the CPC Secretariat:

First, the Political Bureau unanimously adopted the proposal by its Standing Committee that Comrades Ye Xuanping and Qin Jiwei are to participate in the Political Bureau meetings and work as nonvoting members; and

Second, the Political Bureau unanimously adopted the proposal by its Standing Committee that Comrades Hu Qili and Zhang Wannian are to participate in the meetings and work of the CPC Secretariat as nonvoting members.

At the Seventh Enlarged Session of the State Council on 26 August, Li Peng made the following announcement:

The National People's Congress Standing Committee has adopted the proposal by the Political Bureau that Comrades Hu Qili and Wu Yi are to participate in the State Council's state affairs meetings and work as nonvoting members.

### **Great Differences on the Personnel Arrangements for Ye and Hu**

Back at the enlarged session of the Political Bureau on the eve of the Third Plenary Session of the 14th Central Committee, discussions had been conducted over the issue of Ye Xuanping, Qin Jiwei, and Hu Qili participating in meetings and work of the Political Bureau or the Secretariat. Prior to the enlarged session, the Secretariat Secretaries Hu Jintao, Ding Guangen, and Wei Jianxing separately called discussion meetings to solicit opinions. At that time, opinions were focused on Ye

Xuanping and Hu Qili with comparatively great controversy. Some people criticized Ye Xuanping on the grounds that he had paid no heed to the central authorities, being the commander-in-chief of localism. Guangdong provided an umbrella for pornography, gambling, and narcotics-related crimes. Controversy over nominating and promoting Hu Qili was even more intense; some people said, there had never been any clear explanations why Hu Qili was removed from office and why he came back to office later on; and now, on what account should he be promoted? Others pointed out that Hu Qili was a political opportunist, a "hypocrite," and a "person who was not politically upright," and so forth.

Last April, at an enlarged meeting of the Political Bureau, another discussion was conducted on personnel reshuffling and augmentation; however, the issue was shelved because no unanimity had been achieved.

### **Beidaihe Meeting Shelves Some Proposals on Personnel Augmentation**

In early August this year, at the Beidaihe Meeting and the Central Work Conference (Enlarged), the Central Committee Political Bureau convoked another round of discussions on personnel augmentation. In the discussions, the most controversial issues were, namely, candidates for participating in meetings and work of the Political Bureau as nonvoting members; candidates for participating in meetings and work of the Central Secretariat as nonvoting members; candidates for participating in the State Council State Affairs meetings and work; candidates for augmented members of the Central Committee, and candidates for augmented members of the Central Committee from the Central Committee alternate members. Those nominated at the meeting were as follows:

Ye Xuanping and Qin Jiwei to participate in meetings and work of the Political Bureau as nonvoting members;

Hu Qili, Zhang Wannian, Zeng Qinghong to participate in meetings and work of the Secretariat as nonvoting members;

Cai Cheng, Chen Zhili, and Xu Weicheng to participate in meetings and work of the Central Commission for Discipline Inspection Standing Committee as nonvoting members;

Chen Jinhua, Huang Ju, Wu Yi, Song Defu, and Ding Henggao to participate in State Council State Affairs meetings and work as nonvoting members;

Those persons nominated to be augmented members of the Central Committee included: Zeng Qinghong, director of the Central Committee General Office; Lieutenant General Ba Zhongtan, commander of the Chinese People's Liberation Army Armed Police Corps; and Ai Zhisheng, former radio, film and television minister;

Those persons nominated for the Central Committee alternate members promoted to Central Committee



members included: Xiao Yang, Zhen Zhili, Zhu Kaisuan, He Qizong, and Li Jinai.

Internal voting took place on two occasions at that time and the nominations for Qin Jiwei, Cai Cheng, Zhang Wannian, Wu Yi, Song Defu, Ding Henggao, and He Qizong were adopted with few opinions against them; other proposals on personnel changes were impeded or vetoed. Finally, it was decided to shelve the matter and to continue to solicit opinions which would be submitted to the Political Bureau for its discussions.

#### **Jiang Zemin Ropes in the "Shanghai Gang" and the Military**

From the nominations of personnel changes at the meeting, we found the following characteristics: First, Jiang Zemin stepped up the pace in recruiting some people who had originally worked in the Shanghai Municipality and the State Council to the top level to organize a new "Shanghai Gang." For example, Zeng Qinghong, was the very person whom Jiang brought along from Shanghai to the central authorities (Zeng was former director of the Shanghai Municipal CPC Organizational Department and was appointed director of the Central Committee General Office at the same time as Jiang's promotion); another was Chen Zhili (former director of Shanghai Municipal CPC Propaganda Department and current CPC Shanghai Municipal Committee secretary in charge of culture and education), whom Jiang had always wanted to transfer to the Central Committee. Second, Jiang Zemin has done his utmost to rope in the military to the top level, so that they might support him; and third, he wanted to put those figures with certain influence in the political arena at the top level.

#### **It Is Deng Xiaoping Who Has the Final Say**

The choice of top-level persons to be recruited to the Political Bureau, the Secretariat, and the State Council officially announced in the opening paragraphs of this article were almost invariably "proposed" upon Deng Xiaoping's personal nomination.

Back on the eve of the Third Plenary Session last year, Deng Xiaoping stated: "It is necessary to give play to Ye Xuanping's role, let him shoulder some responsibility." He added: "Hu Qili has enthusiasm and the foundation for work; I wonder if it is possible to create some conditions for him to give play to his role." Last August, when Deng Xiaoping learned that there was comparatively great controversy over Hu Qili's promotion, he told the secretariats: "There are always different opinions; however, efforts should be made to talk those people round." Again, Deng Xiaoping indicated: "Army cadres should be allowed to play a certain stabilizing role in the leadership echelon under the party's absolute leadership; that will be crucial." That statement has become the "key" to the recent promotion of Qin Jiwei and Zhang Wannian.

At the State Council enlarged meeting, Li Peng also relayed the praises of Deng Xiaoping, Chen Yun, and Peng Zhen for work of Ministry of Foreign Affairs, Ministry of Foreign Trade and Economic Cooperation, State Science and Technology Commission, and Ministry for National Defense. Deng Xiaoping said: The nature of work and tasks for various ministries and commissions may vary but the goal is the same. A meeting should be convoked to exchange experiences. The chief responsible persons of ministries and commissions with excellent work performances are crucial and they are the core! The Central Committee has the responsibility to promote more outstanding and able ministers. I want to recommend to you Foreign Minister Qian Qichen, Minister Wu Yi, Minister Chi Haotian, and Minister Song Jiang; of course, there are others.... Chen Yun said: "The central authorities should commend outstanding ministries. For example, the Ministry of Foreign Affairs, Ministry of National Defense, Ministry of Foreign Trade and Economic Cooperation, State Science and Technology Commission, State Council Hong Kong and Macao Affairs Office, and the State Family Planning Commission. At the same time, it is necessary to criticize and correct those backward ministries with poor work performances."

#### **Minister of Communications Inspects Heilongjiang**

SK2109052494 Harbin Heilongjiang People's Radio Network in Mandarin 2200 GMT 19 Sep 94

[Text] On the evening of 19 September in Harbin, Tian Fengshan, acting governor of the Heilongjiang Provincial government, met with Huang Zhendong, minister of communications, who came to Heilongjiang to conduct inspections.

Huang Zhendong arrived in Heilongjiang Province on 16 September. He inspected the situation in the construction of the Harbin-Suifenhe highway, a key communications infrastructure project during the Eighth Five-Year Plan period, and inspected on the spot Suifenhe Port and Dongning Port. (He will go to Daqing and Qiqihar by car on 20 September.)

Tian Fengshan expressed his welcome to Minister Huang Zhendong.

He said: Heilongjiang's rapid development in communications undertakings made over the past years cannot be divorced from the support of the Ministry of Communications. Communication plays a [word indistinct] role in promoting Heilongjiang's economic development. As the largest province in northeast China, Heilongjiang has many peculiar difficulties in building communications infrastructure facilities. Along with the development of the border trade over the past years, Heilongjiang has set higher demands on the construction of highways and ports. We hope that we will continuously enjoy the great support of the Ministry of Communications.

Minister Huang Zhendong fully affirmed our province's achievements in communications construction made during the Eighth Five-Year Plan period. He maintained that Heilongjiang Province has elevated the construction of communications undertakings, particularly superior highways, to a new height.

He also exchanged views with Acting Governor Tian Fengshan on the issues concerning river-and-sea coordinated transport.

Present at the meeting were (Zhang Chengyi), assistant to provincial governor; and responsible comrades of the provincial shipping administrative bureau and the provincial communications bureau.

### **CPC Fourth Plenary Session Reportedly Scheduled 25-29 Sep**

*HK2109035594 Hong Kong HSIN PAO in Chinese  
21 Sep 94 p 1*

["Report from Beijing" by Chen Wei-chung (7115 5898 0022): "Fourth Plenary Session To Be Held at End of This Month; Will Mainly Study 1995 Political and Economic Reform Program"]

[Text] According to the information this reporter has to hand, it has been tentatively decided that the Fourth Plenary Session of the CPC Central Committee will be held in Beijing between 25 and 29 September. The principal subjects will include the study and formulation of the policies on China's economic reform in 1995. China's political structural reform will also be an important subject in the upcoming session.

Meanwhile, leading State Council cadres responsible for economic affairs in various ministries and commissions have gathered at Xishan, in the suburbs of Beijing, to hold a four-day secret meeting (from 19 to 22 September), which will mainly study and work out specific countermeasures for curbing inflation. As disclosed, a principal leader of the State Council hopes that the central ability for macroeconomic regulation and control will be reinforced through this session so that high inflation will come down to a certain extent by the end of this year. In addition, the current "Xishan Meeting" will submit a concrete program on economic reform in the next step to the upcoming fourth plenary session for its further deliberation.

It has been reported that the fourth plenary session was originally destined to be held in November this year. Owing to the rather grim economic situation at present and a large number of problems urgently awaiting solution, it is necessary to hold the session ahead of schedule. Besides, General Secretary Jiang Zemin will attend the conference of the Asia-Pacific Economic Cooperation organization to be held in Indonesia in November and have his second meeting with U.S. President Clinton, another reason for opening the plenary session ahead of time.

The news regarding the discussion of political structural reform at the Fourth Plenary Session of the CPC Central Committee has spread abroad. The analysis of the current situation indicates that the political structural reform in China still focuses on such issues as perfecting the people's congress system, emphasizing the necessity of separating administrative functions from those of enterprises, and so on. There is no new breakthrough in its contents. Hence, the future of the economic reform is still the issue about which people have shown greatest concern.

At present, the problems existing in China's economic reform are primarily as follows:

First, the central ability to regulate and control has been weakened. The failure to control this year's high inflation more rapidly has revealed the fact that during the stage of readjusting economic structure, the government still lacks experience and effective market means to regulate and control the economy.

Second, state-owned enterprises, over 40 percent of which have suffered losses, are still the principal burdens of the state. At present, the state can only depend on extending credits to them to resolve their problems such as production, payment of salaries, and so on. State-owned enterprises have become the main obstacles in practicing the policy of strictly controlling money supply.

Third, the disparity between the rich and the poor in various localities has further widened, which has brought potential destabilizing factors into society.

Fourth, China's inflation rate remained as high as 25.8 percent in August and the inflation caused by the price increases of foodstuffs has seriously affected the livelihood of thousands upon thousands of families on the mainland.

The ongoing "Xishan Meeting" and the upcoming Fourth Plenary Session of the CPC Central Committee will discuss a program to resolve the abovementioned problems.

### **Chinese Source Says Plenary Session To Begin 26 Sep**

*OW2109112194 Tokyo KYODO in English 1107 GMT  
21 Sep 94*

[Text] Beijing, Sept. 21 KYODO—The Chinese Communist Party is expected to hold a high-level, three-day plenary session beginning Monday [26 September], based on the theme of strengthening party leadership and party building, a reliable Chinese source said Wednesday.

A preparatory meeting will be held on Sunday, to set the framework for a decision on strengthening party building which will be adopted by the plenum, the source said.

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Major economic problems, including controlling inflation and improving the efficiency of state-run enterprises, of which half are losing money, are also expected to be discussed along with some leadership changes, he said.

The party held a plenary session last November, which drew up a blueprint for China's economic reform and hailed the development of a "socialist market economy" as a "great pioneering cause."

The source agreed that party organization is going through a crisis and has been paralyzed by corruption and mismanagement, especially in rural areas.

Furthermore, central policies are not being implemented on the local level and are often ignored, he said.

To remedy the problems, the decision will aim at strengthening party building and will call for a continuation of the struggle against corruption, he said.

A "system of democratic concentration" will form the basis of reforming the political system, which will also be discussed, he said.

Leadership changes could see Defense Minister Chi Haotian elevated to a vice chairmanship of the Central Military Commission (CMC), while Wang Ruilin will apparently be elevated to secretary of the CMC, he said.

Other leadership changes would advance the principle of putting local and younger leaders in positions of greater responsibility, he said.

#### **CPC 'Opinions' on Improving Moral Education**

*OW2009102094 Beijing XINHUA Domestic Service in Chinese 0712 GMT 8 Sep 94*

["Several Opinions of the CPC Central Committee Concerning Further Strengthening and Improvement of Moral Education at Schools"—dated 31 August 1994]

[Text] The following opinions are put forth in keeping with the demands of the new situation for deepening reform, opening up wider, and accelerating the pace of socialist modernization; and in order to further strengthen and improve moral education at schools:

1. Hallmarked by Comrade Deng Xiaoping's important talks held at the beginning of 1992 and the 14th CPC National Congress, China's reform, opening up, and socialist modernization drive have entered a new stage of development. As young people are symbols of the future of the country and nation, to properly educate and bring them up is a project for laying the foundation for the cause of socialist construction, and it reflects the expectations and aspirations of the broad masses of people. The ideological, moral, scientific, and cultural qualities of school students today and for the next one to two decades have a direct bearing on China's outlook in the 21st century, as well as on the success of China's accomplishment of the strategic goal of the socialist

modernization drive and on the steadfast adherence to the party's basic line for 100 years. We must recognize the importance of moral education at schools in the new era from the historical strategic vision.

2. Along with the continuous strengthening of reform and opening up, the 15 years since the convening of the Third Plenary Session of the 11th CPC Central Committee have revealed more and more vitality. Undertakings of reform, opening up, and modernization have provided a broad arena and great prospect for the vast number of young people to develop themselves and become skillful. In recent years, led by the party Central Committee with Comrade Jiang Zemin at the core, schools have, on the basis of summarizing experiences, constantly explored ways for promoting moral education; and have played a positive role and scored notable achievements in comprehensively implementing the policy for education, in raising students' ideological, moral, scientific, and cultural qualities, in training qualified personnel, in promoting school reform and development, and in safeguarding the stability of schools and society. Young people and students at large support the party's line, principles, and policies and concern themselves with the process of reform and opening up; they hope the motherland will become strong and prosperous as soon as possible and are willing to contribute to the socialist modernization drive; they have a strong will to become skillful and an increased awareness to study; and they work hard to adapt themselves to the socialist market economic structure's new requirements for the qualities of talented personnel. These are the foundations and favorable conditions that we must make the best use of in further improving moral education at schools.

3. The new situation has set a higher demand on moral education at schools: how to uphold the dominant position of socialist ideology and educate young people in Marxism-Leninism-Mao Zedong Thought and Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics while the economic structure is undergoing significant changes, and diversified economic sectors and distribution forms coexist side by side, with public ownership and the principle of to each according to his work as the mainstay; how to teach young people to correctly understand China's national conditions, to inherit and carry forward the Chinese nation's fine cultural tradition and the tradition of revolutionary struggle led by the CPC, and to foster the spirit of national pride, confidence, self-improvement, and independence while the country is opening up wider to the outside world and learning advanced science, technology, and managerial experiences from abroad; how to guide students to gradually foster a correct outlook on the world, life, and values and to cultivate a fine moral character while various contradictions still exist in the transition from the old to the new system and negative phenomena and circumstances in our social life still need to be eliminated; how to help students cultivate the spirit of hard work and self-reliance and a strong will



while the living standards have been improved considerably; and how to help students adapt themselves to the new requirements for concepts, knowledge, capabilities, and mental states while science and technology are developing rapidly and a socialist market economic structure is being gradually set up. These are the new topics of moral education at schools that we must study and find a solution. The new situation arising from the accelerating pace of reform, opening up, and modernization and the new tasks for educational reform and development urgently demand moral education to play a more effective role in guiding and motivating young students and guaranteeing their healthy growth and the work of schools.

4. Moral education at schools is still very much incompatible with the new situation and demand. We must emancipate our minds, seek truth from facts, and imbue ourselves with a sense of urgency. We must take Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics as the guide, comprehensively implement the party's educational policy, adhere to the socialist orientation in managing schools, carry out the "Outline for Education Reform and Development in China," step up efforts to improve work, perfect the moral education system, actively advance educational reform, overcome the tendency of "overemphasizing one aspect to the neglect of the other" and overlooking moral education, and strive to bring up builders of and successors to the cause of building socialism with Chinese characteristics with ideals, a sense of morality and discipline, and general knowledge.

5. Work out an overall plan for moral education at schools. In line with the law governing the formation of young students' ideology and moral character and the demand for social development and on the basis of the general objective of moral education, we must plan in a scientific way the specific contents and ways and methods of conducting moral education in various stages of education. It is through a gradual process of education that students cultivate their sentiments of "five loves" (love for the motherland, the people, labor, science, and socialism); civilized behavior and habits; scientific outlook on the world, life, and values; and ideals and faith in socialism. Contents and emphases of moral education should be gradually deepened on the basis of students' age and ability to understand and accept the contents and emphases. In order to guard against simple repetitious moral education, efforts should be stepped up to make an overall connection of moral education courses, teaching programs and materials and reading materials, educational and supervisory methods, and criteria and formulas for evaluating students' ideology and moral character in various stages of schools.

6. Make Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics the core content of school education in the Marxist theory. This is the most important task and fundamental measure for strengthening and improving moral education at schools.

We should reform in a selective manner teaching materials and methods of courses in political theory and ideology and moral character as they are the primary channels and basic links for systematically conducting education in Marxist theory and moral character at schools. We should give simple and concise lectures to young students on the basic views of Marxism-Leninism, should study Chairman Mao's important philosophical works, and should especially study Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics. We should answer questions of general concern to students in light of their actual thinking and in close conjunction with the rich experiences in reform, opening up, and socialist modernization construction. We should guide students to gradually learn how to use the stand, views, and methods of dialectical materialism and historical materialism in analyzing political, economic, cultural, and moral phenomena in life; in evaluating various ideological trends of society; and in setting the political direction of striving to build socialism with Chinese characteristics. We should, on the basis of the fundamental characteristics and developments of contemporary Chinese social, political, and economic affairs, as well as of students' special characteristics, constantly improve and perfect the system of teaching materials and compile relatively stable and standard teaching materials. We should improve the examination system and lay emphasis on evaluating students' ability to understand and absorb things they are taught.

7. Conduct in-depth, prolonged ideological education in patriotism, collectivism, and socialism. Education in patriotism should be based on the modern and contemporary Chinese history and the national conditions, and should be taught successively at primary and secondary schools and schools of higher learning from easy to difficult materials. Schools of higher learning and senior middle schools should offer courses or lectures in current affairs and policies, focused mainly on domestic and international situations and major principles and policies of the party and the government; and should conduct vivid and realistic education on the national conditions. Middle and primary schools should have their own basic and locally-compiled teaching materials for cultivating love for hometown and the motherland. Flag raising and lowering as well as singing of the national anthem should be further institutionalized. Active efforts must be made to organize patriotic educational activities of cherishing the memory of revolutionary martyrs, emulating outstanding historical figures, and visiting cultural relics, sites connected with revolutionary events, great mountains and rivers of the motherland, and exhibitions of New China's achievements in construction. All kinds of mass media should be fully utilized to stir up a general atmosphere for education in patriotism. The strengthening of national unity and the motherland's unification should be made an important aspect of school education in patriotism.

Education in concepts of value, focusing on collectivism, should be conducted among students. They should be

taught to clearly understand that in establishing a socialist market economic structure, it is necessary to continue to advocate collectivism; to collectively handle the relations of interest between individuals, collectives, and the state; and to encourage a spirit of dedication to the country and the people. Schools should help students recognize various negative phenomena and should cultivate their ability to differentiate between good and evil. It is necessary to oppose money-worship, hedonism, and ultra-individualism. Students should be guided to establish contacts with and to learn from ordinary people; and should be organized to take part in activities for building spiritual civilization inside and outside school.

Education in upholding party leadership and adhering to the socialist road should be conducted among students. Youngsters' growth and development are closely linked with the country's future destiny. Therefore, they always show an interest in and ponder over such deep-level issues as what is socialism, why it is necessary to adhere to socialism, and how to build socialism. It is necessary to conduct in-depth education in adhering to the socialist road with Chinese characteristics and to the party's basic line among students so that they can gradually set a firm and correct political direction and conscientiously safeguard the stability of school and society.

8. Conduct education in the fine moral traditions of the Chinese nation. It is necessary to earnestly study and inherit the fine ethics, ideas, and codes of conduct taken shape in the long development of Chinese history; to imbue them with the new contents of the times; and to compile them into serialized books. It is necessary to combine the Chinese nation's fine moral traditions with new moral paradigms taking shape in the process of the people's revolution and socialist construction; and to draw from the fruits of advanced civilization from other countries in the world in putting forth the standard of values and mores reflecting the characteristics of the Chinese nation and the spirit of the times, in compiling teaching and reading materials for different age groups, and in making cinema and television films for extensive publicity and repeated education, thereby exerting a gradual and uplifting influence on students.

9. Raise the quality of education urgently required of and needed by the newly established socialist market economic structure. It is necessary to pay keen attention to helping students foster the spirit of forging ahead courageously, of seeking self-improvement and self-reliance, and of working hard to start an undertaking; to energetically strengthen education in the legal system, especially the constitution; and to conduct education in social and professional ethics in a planned manner. In implementing the nine-year compulsory education, it is necessary to further ensure courses in music, physical education, and aesthetics are taught; and to offer elective courses in art, so as to exert a favorable influence on students and raise their level of appreciating art. It is necessary to conduct adolescent health education, and to

give guidance on mental health in various forms to students of different age groups, so as to help them improve their mental quality and strengthen their moral character and their ability to withstand setbacks and adapt themselves to their environment.

10. Moral education should be combined with guidance to students over school and everyday life and with strengthened supervision. Moral education workers should mingle with students to hold heart-to-heart talks, to hold consultations, and to guide them in properly handling contradictions and problems in study, career planning, job selection, social life, health, and everyday life. It is necessary to strengthen supervision; to earnestly implement the "Standard of Daily Conduct of Primary School Students," the "Standard of Daily Conduct of Middle School Students," and the "Code of Conduct of Students of Schools of Higher Learning;" and to strictly enforce school rules and discipline and promote a healthy school and study style. It is necessary to cultivate students' abilities in self-education, self-supervision, self-service, and self-restraint.

11. Give further play to the role of all teachers and administrators in bringing up students. Teachers are the key; they must earnestly carry out the duties of teaching and bringing up students prescribed in the "Teachers' Law," teaching by personal example as well as verbal instruction to help students develop in an all-round way—morally, intellectually, and physically. Education administrative departments and schools should step up ideological and political work among teachers, should formulate and perfect relevant systems and policies, and should take effective measures to enhance all teachers' enthusiasm and sense of responsibility and to encourage them to assume the home-room teacher's post in carrying out the work of teaching and bringing up students. Schools should clearly define the duties of bringing up students by various management and service departments.

12. Promote the organic combination of moral education with all kinds of subjects and courses according to their features. It is necessary to draw on the experiences and practices in this aspect by foreign countries, including the developed nations; and to actively explore ways for combining moral education with various subjects and courses, summarize experiences, and standardize measures in good time for formulating consistent mechanisms in the process of educational reform. Schools of higher learning should actively offer elective courses in humanities and social sciences, and should draw up an overall plan for coordinating such elective courses with courses in the Marxist theory and in ideology and moral character. The conducting of all courses should reflect the socialist orientation and the guiding principle for all-round development in managing schools. Teaching programs and criteria for evaluating schools should follow the correct ideological guidelines. Departments in charge of teaching and educational personnel engaged in research should go deep into the areas of teaching and



immerse themselves with students so that their teaching and research can help promote moral education.

13. Attach importance to the construction of campus culture. It is necessary to go all out to launch varied, colorful, positive, and forward-looking academic, scientific and technological, sports, artistic, and recreational activities which are loved by students; and to build healthy and lively campus culture focusing mainly on socialist culture and outstanding national culture. Efforts must be made to clean campus milieu, to resist the infiltration and effects of negative and decadent ideas, to check vulgar cultural hobbies and tendencies for non-rational culture, and to guide campus culture to develop in a healthy and civilized atmosphere. In building spiritual civilization by the whole society, schools should be one of the best microscopic milieus and should make positive contributions to improving the macroscopic milieu.

14. Strengthen the chains of practice. Combining education with productive labor is a basic measure for upholding the socialist orientation in education. Schools of all types and at all levels should designate students' participation in material productive labor as a required course, and should make overall arrangements for incorporating the course into teaching programs to be supervised and examined by education administrative departments at all levels. Lab and practical training courses should be strengthened and be conducted according to the planned time slots and contents and under scheduled conditions. Courses in ideology and moral character and in productive labor during nine-year compulsory education should include labor for public service, hiking drills, and participation in social life. Senior middle schools and schools of higher learning should include social practice in teaching and educational programs, organizing students to take part in social surveys, productive labor, scientific, technological, and cultural services, military and administrative training, and work-study programs. It is necessary to step up the supervision and guidance over activities of social practice by clearly defining the aim of education to improve the actual results of education. It is necessary to dissuade and stop activities which are harmful to students' mental and physical health, which obstruct their study, or which disrupt campus order.

15. School education, family education, and education by society should closely coordinate with one another. Schools should take the initiative to cooperate with parents and various circles of society so that education by these three can complement each other and form a cohesive force. It is necessary to maintain regular contacts with parents through parents' committees, parents' schools, and parents' attendance days; to vigorously popularize knowledge of family education; and to attract parents to take part in the process of moral education. It is necessary to set up after-school educational networks and extend moral education to after-school hours. It is necessary to rely on associations for caring for the next

generation, community education committees, after-school moral education instructors, and other social organizations for youth education, as well as mass organizations in mobilizing, organizing, and coordinating various circles of society to support schools in ensuring a good job in moral education.

16. Improve the management system of moral education. Party organizations in different types of schools at all levels should strengthen leadership over their school's ideological-political education. Regardless of the type of leadership system implemented, a school principal or president should assume responsibility for students' all-round moral, intellectual, and physical development. Under the unified planning of its party committee (general party branch or party branch), a school should establish and improve the management system for moral education, made up of its principal or president and administrative departments. Moral education must be carried out through the entire educational process and implemented in every teaching, managerial, logistical, and service function. In carrying out the organizational reform of schools and education administrative departments, we should pay attention to rationally arranging and strengthening the structure of moral education. We should establish a system for appraising moral education and make moral education success an important criterion for evaluating the education and teaching performance of a locality or school. We should also make moral education in colleges a criterion for assessing the performance of the "2-1-1 Project."

17. Promote research in ideological-political education and the development of this branch of learning. Ideological-political education, as a discipline of science, has its own law. We should step up its development as a key discipline of humanities and social science and incorporate researches on major issues of moral education into the state's education and philosophy-social science research programs. We should train and bring up a group of experts, professors, special-grade teachers, and theorists in moral education.

18. Strengthen the building of the ranks of moral educators. We should optimize the structure of the ranks of moral educators and build a contingent of full-time and part-time moral educators who will complement each other in their functions and have a firm faith in and a strong command of work. Party committees, education administrative departments, and schools at all levels should adopt measures to stabilize the ranks of backbone moral educators and constantly supplement them with new blood. We should actively launch all types of training to improve the ranks' standards. We should create conditions for political and theoretical teachers and moral educators to take part in social practice, keep in touch with reality, understand the country's situation, and study new developments and problems encountered in reform and opening up. We should establish a commendation system to enhance moral educators' dedication to work and sense of mission. We should ensure that



their work is highly respected in society. We should improve the job classifications of the ranks of professional moral educators and successfully resolve for them problems in their work and problems related to pay and benefits. We should formulate policies to ensure that backbone moral educators can continue to improve themselves and advance to a higher level. We should vigorously support and development a system characterized by "carrying the load on both shoulders."

19. Guarantee the input of funds and improve the material conditions. Moral education is an important part of education. Education administrative departments and schools should rationally determine moral education outlays, incorporate them into the budget, and guarantee their implementation. Schools shall provide needed sites and equipment for moral education and make constant efforts to improve the conditions and optimize the means.

20. Bring into full play the role of school's party organizations, trade unions, Communist Youth League [CYL] and Young Pioneers organizations, and students associations. Party organizations should strengthen organizational and ideological construction and leadership over moral education. Grass-roots party organizations and trade union and CYL organizations should be utilized to mobilize the vast number of teachers and other educators to do a good job of moral education in school. Teachers, in particular, should play their role as paragons of virtues and learning and set an example for the students. CYL and Young Pioneers organizations, as well as students associations should launch healthy, useful educational activities based on their characteristics and missions, to rally large numbers of students around them and make themselves important bridges for the party to keep in touch with, unite, and educate the younger generation. Party and CYL organizations should sponsor spare-time party and CYL schools based on the youths' and students' ideological characteristics and needs, promote activities organized by students' Marxism-Leninism study groups, and vigorously recruit qualified outstanding students to join the party or the CYL.

21. Moral education is social system engineering. Propaganda, literature and art, film, television, radio, publications, and news media circles should make patriotism, collectivism, and socialism their primary theme, arm people with scientific theory, guide them with correct opinions, mold them with lofty values, and inspire them with outstanding works. We should guide young people to pursue lofty moral values and healthy esthetic temperament and interest and advocate correct consumption patterns and life styles. Departments engaged in the production of works of the spirit as well as writers and artists should enthusiastically provide young people with useful spiritual food. Government departments concerned should formulate necessary policies and measures to support select nonprofit, refined, and serious ventures involving literature and art. The CPC Central Committee Propaganda Department, the State Education

Commission, and the Ministries of Culture and Radio, Film and Television should award outstanding education films, television programs, books, and songs catering to young people, and commend artists who make important contributions to young people's artistic education. We should employ administrative, legal, and economic measures as well as mass supervision to strengthen the management of cultural markets and entertainment facilities and put an end to activities of seeking profits without proper regard to social benefits. We should enact laws and regulations. Local public security, industrial, commercial, and cultural administrative departments should supervise and strictly control cultural, entertainment, and business activities near schools in accordance with the law.

22. Employ legal weapons to protect the healthy growth of young people. Governments at all levels should extensively publicize and earnestly implement the "Juveniles' Protection Law." Public security, judicial, procuratorial, industrial and commercial administration, customs, and postal departments should adopt strict measures to ban pornographic books and audio and video products and crack down on activities that encourage young people to commit crime. Education departments should assist the government in coordinating comprehensive measures taken to protect young people and prevent them from committing crimes. Performance in implementing the "Juveniles' Protection Law" should be made an important element in evaluating the performance of local governments.

23. Local governments at all levels should incorporate optimization of the community education environment into their socialist spiritual civilization development programs. They should perform several concrete things for young people's education each year. In urban construction, we should take care to build centers for science and art, museums, libraries, sports stadiums, youth centers, and other facilities. We should take an inventory of existing facilities that have been occupied for other uses. Rural areas should educate primary and middle school students to transform old customs and practice and oppose feudal superstition in combination with the local construction of spiritual civilization. Places and points for education in history, culture, revolutionary traditions, and patriotism should become important sites for conducting moral education among young people. Provinces, autonomous regions, and municipalities directly under the central government should designate or build a number of moral education bases in light of local conditions, which should be open to school-organized education tours free of charge. Party committees and governments at all levels should strengthen leadership and incorporate students-participated production labor and social practice activities into the comprehensive socialist spiritual civilization construction project for implementation.

24. Moral education in school should have legal safeguards. Its role, mission, and primary principles and

policies should have authoritativeness and remain stable. We must enact appropriate laws and regulations to ensure that educators and education recipients as well as relevant departments in society all uphold its role, mission, and primary principles and policies. The gradual establishment of socialist market economic structure and education reform have made the development of this legal construction even more necessary and urgent. We must resolve this issue as part of the process of legal construction.

25. Strengthen local party committees and governments' leadership over moral education in school. Principal leaders of party committees and governments at all levels should personally attend to moral education and study and inspect moral education at schools on a regular basis. We should further bring into play the role of local party committees and education departments. Governments at all levels should create necessary manpower, financial, and material conditions for conducting moral education in school and earnestly resolve practical difficulties and problems encountered by schools in moral education. Education administrative departments should take conducting moral education in school one of their principal jobs. Steps should be taken to improve the system whereby leading comrades of local party committees and governments as well as departments concerned of the central state organs link up with schools, give lectures at schools on the current situation on a regular basis, hold discussions with teachers and students, and make friends with them. Party committees and governments should correctly understand and handle well the relationship between reform, development, and stability and take safeguarding school stability as an important long-term task.

Since the Third Plenary Session of the 14th CPC Central Committee, the CPC Central Committee has successively issued the "CPC Central Committee Circular on Reforming Teaching of Ideology, Morality, and Political Theories in School," "the CPC Central Committee Decision on Improving and Strengthening Ideological-Political Work in Institutions of Higher Learning," and the "CPC Central Committee Circular on Reforming and Strengthening Moral Education in Primary and Middle Schools" to strengthen and improve moral education. The basic guidelines of these documents should continue to be earnestly implemented. Where conditions have changed, this document shall govern. Party committees and governments as well as education departments should inspect and review the progress made in implementing this document, study existing problems, and set forth specific measures for implementing it.

#### **Culture Ministry: Literature, Art Benefit From Reforms**

*OW2009082494 Beijing XINHUA in English 0754 GMT 20 Sep 94*

[Text] Beijing, September 20 (XINHUA)—China's cause of literature and art is flourishing due to successful reforms, according to officials at the Ministry of Culture today.

Reforms in art troupes have made major progress, and actors and actresses involved are employed under a new contract system this year, said Xu Shipai, a spokesman for the ministry, adding that outstanding and diligent performers are given higher pay.

"Theatrical troupes are encouraged to operate on their own," he said.

"Meanwhile, the ministry, as a government department, has clearly defined its duties and simplified its organizations, so as to go in line with the operations of other departments under the State Council," he said, adding that the move helps upgrade efficiency and adapt to market economic practices.

Xu said that the country has adopted many measures to improve conditions for traditional and serious arts.

For example, subsidies have been increased for ballet, opera and symphony troupes, and young actors are being trained for the survival of Beijing opera.

"Some troupes for the first time won profits in the first half of this year," he revealed, attributing the rebound to reforms and preferential policies.

On the other hand, he noted, macro control on the chaotic cultural market has been intensified.

Recently, China has repeatedly called for the promotion of a healthy culture which is constructive to the material and ethical progress.

To exhibit the achievements in the past 45 years, the country has this year hosted a series of major events, including a grand arts festival and several international arts activities.

By the year end, more cultural activities will be staged to mark the centenary of the birth of two Beijing opera masters, Mei Lanfang and Zhou Xinfang.

#### **Central Party School Runs Party Building Research Class**

*OW1909005694 Beijing XINHUA Domestic Service in Chinese 0915 GMT 15 Sep 94*

[By Central People's Broadcasting Station reporter Liu Zhenying (0491 2182 5391) and XINHUA reporter Liu Siyang (0491 1835 2254)]

[Text] Beijing, 15 Sep (XINHUA)—A research class on party building questions for provincial and ministerial level cadres opened in the Central Party School today. Lu Feng, director of the CPC Central Committee Organization Department, said at the opening ceremony: Our party is the key force for leading reforms, opening up, and socialist modernization. Our tasks are arduous. To enhance the current good situation, we must attach even greater importance to party building than we did before.

Fifty-three cadres are attending the research class. Their major task is to work under the guidance of Comrade



Deng Xiaoping's theory on building socialism with Chinese characteristics, thoroughly study and comprehend Comrade Xiaoping's expositions on the building of the ruling party during the new period, analyze the current situation and tasks of party building, and discuss in a concentrated way important questions concerning party building under the conditions of comprehensively deepening reforms and developing a socialist market economy.

Lu Feng emphatically expressed his views on how to seriously study, uphold, and amplify democratic centralism; improve and step up the building of primary party organizations; and train and select leading cadres who have both moral integrity and ability.

Lu Feng said: Implementing democratic centralism meets the needs of building a socialist market economic structure, promoting socialist democracy, and ensuring long-term peace and stability in our country. Generally speaking, the leading bodies at various levels have done a good job in implementing democratic centralism in recent years. However, some problems that merit our attention still exist in a small number of leading bodies and among a small number of leading cadres. The key to solving those problems lies in improving a series of systems of democratic centralism and in applying those systems to ensure the implementation of democratic centralism.

At present, there are more than 3 million primary party organizations in China. On how to step up the building of primary party organizations, Lu Feng said that whether the primary party organizations are strong or not has a direct bearing on the party's rise or decline, as well as on the success or failure of our modernization program. He emphasized: It is necessary to organize special efforts to rectify backward village party branches, encourage advanced party organizations to help backward ones, and take a road of common prosperity. It is necessary to strengthen enterprise party organizations during the course of experimenting on establishing the modern enterprise system. Efforts should be made to launch a successful campaign for party members to study the theory on building socialism with Chinese characteristics. It is necessary to conscientiously improve the education and management of party members among the floating population. We should attach great importance to recruiting new party members from among young people.

In conclusion, Lu Feng emphasized: The key to upholding the party's basic line for 100 years without any wavering lies in the party organizations, the party members, and particularly the leading cadres of party and government organizations at and above the county level. For this reason, when we build our cadre force, we must comprehensively improve the quality of incumbent leading cadres, step up the training and selection of outstanding young cadres, and strive to bring up a large number of leading cadres who are capable of taking on heavy responsibility in both this century and the next.

Wang Jialiu, executive vice president of the Central Party School, presided over the opening ceremony. Present at the ceremony were responsible people of relevant central departments, including Zhao Zongnai, Zheng Keyang, Xing Benshi, Liu Shengyu, Liu Haifan, and Yang Chungui.

#### QIUSHI Views Conflicts Among the People

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[Article by Zhang Chuanjia (4545 0278 1367), a cadre in the propaganda section of the political department of Anhui Provincial Military District: "New Line of Thinking on Correctly Handling Contradictions Among the People"]

[Text] In the socialist context, whether or not the contradictions among the people are correctly handled concerns the destiny of our country and the prospects for the socialist cause. An important contribution Comrade Mao Zedong made to Marxist theory was that he creatively put forward the idea of correctly handling the contradictions among the people. In the new historical period, Comrade Deng Xiaoping, in view of the present reality in China and the characteristics of our times, carried forward and developed this brilliant notion invented by Comrade Mao Zedong and provided us with a new approach and new methodology for correctly handling the contradictions among the people.

It was in a different age and under different historical circumstances than ever before that the numerous contradictions among the people which exist in today's society came into being. Therefore, there are some new characteristics as to how these contradictions are manifested. The first characteristic is that the contradictions among the people are closely bound up with the demand on material life. After the focus of the whole party and the whole country was shifted, the attention of the entire society was increasingly concentrated on the economy. In the meantime, because the door of the nation was opened, with the international economic life as the point of reference, people's demands on their material life have been growing at an extraordinary pace. However, the development of production and the increase in income are inadequate to satisfy the ever-growing material needs. The second characteristic is that the contradictions among the people are closely associated with the adjustment of various relationships concerning the distribution of interests. The implementation of the economic reform and the establishment of the socialist market economic system inevitably involves the patterns of interests distribution in various departments and the adjustment of relationships concerning interests distribution. Such adjustments broke the old equilibrium and led to a significant increase in, and progressive surfacing of, the specific conflict of interests between the center and the locality, between regions, between enterprises, between some workers, and others. The third characteristic is that the contradictions among the people are



closely associated with the changes in ideology and concepts. In the on-going historical changes brought on by the establishment of a socialist market economic system, profound changes in the social existence will naturally lead to profound ideological changes. In this process, the mind is extraordinarily active. All kinds of positive, progressive, and correct ideas and concepts are in a complex tangle of conflict and struggle with all kinds of negative, backward, and wrong ideas and concepts. In general, the various contradictions among the people under the current circumstances are associated with the issues of reform and development and therefore can only be solved in the process of reform and development. In view of these new characteristics of the contradictions among the people, Comrade Deng Xiaoping, standing on the high plane of our age and on the basis of carrying forward the correct ideas and principles prescribed by Comrade Mao Zedong on the handling of the contradictions among the people, found a direct connection between the handling of contradictions among the people under the new circumstances and the overall needs of reform, development, and stability, creating a series of new approaches and methodology. To conscientiously study and practice these important ideas is undoubtedly very necessary and beneficial to our consolidating and developing the political situation of unity and stability in the context of establishing a socialist market economic system and to our striving for greater success in the reform, opening up, and modernization.

**1. Consistently concentrate our energies on promoting economic development and lay a solid and strong material basis on which contradictions among the people can be thoroughly solved.**

Economy is the foundation of human society and the ultimate cause of all social contradictions. In the initial stage of socialism, with uniformity of fundamental interests, the most fundamental reason why numerous, and sometimes even very outstanding, contradictions exist is because, apart from various other complicated factors, the economy in our country is backward and the level of productive forces is low and they are far from being able to satisfy the demand of the entire community. One may well say that, within the broad confines of contradictions among the people, not only the contradictions concerning material interests directly stem from the relative poverty of a country but also many of the ideological and moral contradictions in ideology are more or less connected with the insufficiency of the material wealth of the society. The principal contradiction in our society at the present stage is that between the ever-growing material and cultural needs the public and the backward social production. It is, in fact, a concentrated reflection of the contradiction among the people that always influences and restrains the latter on the whole. It is also for this reason that the solution to the principal contradiction of the society is basically the same as the solution to the contradiction among the people. Under the current circumstances, only by concentrating on effective economic construction, developing social productive forces

energetically, and trying all possible means to solve the principal contradiction of the society properly can the varied and complicated contradictions among the people be readily solved like "a bamboo splitting all the way down once chopped open." Comrade Deng Xiaoping made the following extremely profound remark: "The key to solving all the problems in China is by relying on our own development." (Volume 3 of the *Selected Works of Deng Xiaoping*, p 265) This important remark applies generally to solving contradictions among the people. At present, and for a long time to come, we must solve the problem of food, the problem of clothing, the problem of housing, the problem of transport, the problem of employment, the problem of population, the problem of education, the problem of unbalanced development among regions, and all the contradictions among the people brought on or caused by the three major distinctions [between town and country, industry and agriculture, physical and mental labor]. Ultimately, which of these can be solved without the backing of national economic development?

Since promoting economic development is a fundamental and decisive link in solving the contradictions among the people at the present stage, it is naturally also a major concern of the whole party and the whole country. The way all contradictions among the people are solved must conform to its needs and must be conducive to its implementation and realization. With the overriding issue of the country's economic construction taken into account, some contradictions perhaps need to and can be solved, while some cannot be solved even though they should; some contradictions may be able to be solved faster than others; some contradictions perhaps can be solved to a satisfactory extent, while others can only be alleviated to some degree; and so on and so forth. This requires the party, the government, the military, the civilians, and the academics, as well as all parts of the country, to have a stronger sense of overall interests and, when a conflict arises between the overall interests of the country and the specific interests of their region, their department, their unit, or their own interests, to conscientiously put the country's overall interests first and wholeheartedly subordinate themselves to the overriding matters of state construction in their action. If all departments at all levels in the whole country are able to consider, give priority to, and serve the overall interests of the country and consistently concentrate their energies on boosting the economy, the contradictions among the people at the present stage are bound to be resolved thoroughly and more effectively.

**2. Adhere to the principle of "giving priority to efficiency with due consideration to fairness and try to solve the conflict of interests among the people in a reasonable way by encouraging "some people to become rich first" and therefrom promoting common prosperity.**

How to balance efficiency with fairness is always an outstanding problem that we must face up to in handling the conflict of interests among the people. For a fairly

long time in the past, we confused fairness with egalitarianism in the distribution of interests, creating the situation whereby "working brings the same benefit as not working, doing more work brings the same benefit as doing less work, and good work brings the same benefit as poor work." On the surface, eating from the "same big pot" seemed to be able to prevent or reduce the conflict of interests among the people. However, this not only concealed many contradictions caused by failure to distribute according to work but, more seriously, directly dampened the enthusiasm in socialism and caused low labor efficiency and slow economic development. History indicates that, in solving the contradictions among the people, the only way to handle the distribution of income is by implementing the principle of "giving priority to efficiency with due consideration to fairness" in light of the needs of social development and progress. Comrade Deng Xiaoping's idea of encouraging "some people to become rich first" and therefrom promoting common prosperity is in line with this orientation. As a "big policy" for the initial stage of socialism, encouraging "some people to become rich first" and promoting common prosperity are two complementary aspects. They are both required by the effort to find a rational solution to the conflict of interests among the people and, therefore, should be catered to simultaneously without attending to one aspect to the neglect of the other.

On the one hand, encouraging "some people to become rich first" is the basic premise of promoting common prosperity. It reflects the need to find a rational solution to the conflict of interests among the people by the principle of "giving priority to efficiency." Undoubtedly, in the context of socialism, the thorough solution of the conflict of interests among the people depends on common prosperity. However, common prosperity is not, and cannot possibly be, simultaneous prosperity. It has to go through a rippling process from a point to a surface, from minority to majority, and from the local to the whole. For this reason we must, catering to the circumstances, allow and encourage some regions and some individuals to become rich first through honest work and legitimate business operations. Practice has proved, and will continue to provide evidence, that encouraging "some people to become rich first" can stimulate the enthusiasm of regions, industries, and the broad masses of workers; promote the technical progress of the whole society, the development of production, and the enhancement of economic efficiency; and can quicken the pace of the whole nation moving toward common prosperity. This way, we can give full play to the exemplary role of those regions and individuals who have become rich first by rational and legitimate means and create a lively scenario of "those who become rich first helping those who have yet to become rich and those who have yet to become rich striving to catch up with those who have become rich first." The state can also enjoy increases in the total accumulation of wealth of the society and therefore will be able to allocate more

financial and material resources to help the less wealthy regions and individuals eradicate poverty as soon as possible and embark on the road toward common prosperity. Thus, an ever-broadening prospect can be opened up for a thorough solution to the conflicts of interests among the people.

On the other hand, promoting common prosperity is the ultimate goal of encouraging "some people to become rich first." It reflects the need to solve the conflict of interests among the people in a rational way on the principle of "giving due consideration to fairness." In real life, both the unfairness in egalitarianism and the unfairness in polarization are arch enemies of the efforts to solve the conflict of interests among the people. We must be firmly against both and must never accept "either or" and move from one extreme to the other. Under the new circumstances, we allow and encourage "some people to become rich first" for the purpose of achieving common prosperity more effectively, never in the slightest to substitute social equality with polarization. We often say the contradictions among the people are contradictions on the basis of uniformity of fundamental interests. This is largely in terms of the whole people adhering to the road toward common prosperity. If we encourage "some people to become rich first" without the goal of common prosperity in sight and give free rein to financial polarization among the people, making social equality null and void, it is bound to cause progressive deterioration in the conflicts of interests among the people. It was in consideration of this potential danger that Comrade Deng Xiaoping emphasized: "The greatest advantage of socialism is common prosperity. This is something which embodies the essence of socialism. If we allowed polarization, things would be different: Ethnic conflicts, interregional conflicts, and class conflicts would develop, as would the conflict between the center and the localities. There would be the danger of turmoil." (Volume 3 of the *Selected Works of Deng Xiaoping*, p 364) The most fundamental approach to maintaining and giving play to common prosperity as the greatest advantage of socialism is to hold fast to the dominance of socialist public ownership and the system of distribution according to work and to strengthen and improve the state macroregulation and control over the economy. In particular, the dominance of public ownership must not be shaken because the public ownership of the means of production determines the distribution of products. The loss of the dominance of public ownership means the loss of the enticing prospect of common prosperity. Private ownership will only lead to polarization. Besides, we should also adopt some vigorous measures, such as: Sternly cracking down on various economic crimes, protecting legitimate income, and outlawing illegitimate income; establishing a system of taxable personal income declaration and strengthening the collection and control of personal income tax according to law, so as to adjust the discrepancies between incomes to an appropriate extent; energetically conducting the work on supporting the poor and helping



economically backward regions and individuals in difficult circumstances solve problems with their basic food and clothing; and vigorously developing the social security system and solving problems in such areas as old age pensions, job-awaiting insurance, industrial injuries, medical care, and birth. There is reason enough to believe that, with the deepening of the reform, the party and the government will surely be able to make a better job of the promotion of common prosperity and to minimize the conflict of interests among the people.

**3. Resort to both democracy and legal system and solve the contradictions among the people in a more secure and more orderly way.**

Solving the contradictions among the people by democratic means is a fine tradition of our party and should not be forsaken at any time. In the new historical period, Comrade Deng Xiaoping has always given full affirmation of this fine tradition and firmly suggested restoring and developing it. He once addressed the lesson of "cruel struggle and merciless victimization" during the age of ultra-left practice and solemnly pointed out to the whole party: When we try to create democratic conditions, we must reiterate the "three no-ism": No picking on others for their faults, no putting labels on people, and no using a big stick. In the political life within the party and among the people, we can only use democratic means and may not resort to suppression or victimization. On ideological issues, forcing submission is not acceptable in any way whatsoever [wu lun ru he bu neng yong ya fu de ban fa 2477 6158 1172 0149 0008 5174 3938 1090 2591 4104 6586 3127]. We should truly implement the principle of "two hundreds." Since our country entered the new era, strongly advocated by Comrade Deng Xiaoping a macroclimate of solving contradictions among the people by democratic means has truly developed. Solving contradictions among the people depends on both democracy and the legal system, both of which should be upheld at the same time and given equal attention. In Comrade Deng Xiaoping's opinion, the necessity and importance of the legal system in solving contradictions among the people mainly find expression in the following four aspects:

First, only a legal system can ensure that the people can fully enjoy and correctly exercise the various democratic rights for solving internal contradictions. Comrade Deng Xiaoping has always held that democracy is not reliable until it is brought into the confines of a legal system. To guarantee people's democracy, strengthening the legal system is imperative. It is imperative to institutionalize democracy and codify it into law, so that such an institution and law will not change with the change of leadership or the change of leaders' viewpoints and focuses. In the meantime, only when democracy is codified into law can it be correctly used by the general public to solve any contradictions among them. Otherwise, as Comrade Deng Xiaoping has warned many times, the so-called "great democracy" beyond legal confines during the "Cultural Revolution," including

"speaking out freely, airing views fully, holding great debates, and writing big-character posters," which was actually a form of anarchism, would not be able to solve the vital issues among the people and, on the contrary, would confuse right and wrong, demoralize people, and make those contradictions that could be properly solved, unsolvable.

Second, only with a legal system can we sort out and coordinate well various relationships among the people and prevent and reduce some unnecessary disputes and frictions. When he commented on the necessity of stepping up legislative work, Comrade Deng Xiaoping pointed out: The relationships between state and enterprise, between enterprises, between enterprise and individual, and so on, should also be defined in law. Obviously, defining the various relationships among the people in a legal form so that each group or individual can have a clear idea of the rights and obligations related to themselves will help everybody find their "position" and play their "role" well in any interactions. This way, their relationships can be readily sorted out and coordinated and any hangups can be more easily resolved.

Third, only with a legal system can we follow the law and correctly solve contradictions among the people and various contradictions involving the use of law. Comrade Deng Xiaoping believes that many of the contradictions among the state, the collective, the individual, and so on also have to be solved through the use of law. In fact, quite a lot of contradictions among the people involve legal issues to varying degrees. If we do not solve these contradictions against applicable legal criteria, either various negative consequences will ensue because of a lack of accuracy or the problems will end up in an even messier state because of a lack of authority.

Fourth, only with law can it be possible to eliminate the negative and corrupt phenomena which induce contradictions among the people or obstruct the solving of such contradictions. In real life, all kinds of negative and corrupt phenomena within the party, and in the society at large, are factors which give rise to some contradictions among the people and, in the same breath, are obstacles to the proper solving of some contradictions among the people. A key to eliminating negative and corrupt phenomena is by relying on the legal system.

Comrade Deng Xiaoping's idea of adhering to democracy and legal system simultaneously in solving contradictions among the people is a very important strategic idea which bears a distinct hallmark of our times. Today China has entered a new phase of commitment to a socialist market economy. A marked characteristic of market economy is that it keeps a strong initiative in its own hands. With the development of market economy, the awareness of democracy among the hundreds of millions of people is being increasingly enhanced. This sets even higher demands on our efforts to solve contradictions among the people by democratic means. Another marked characteristic of the market economy is



that it is closely connected to the legal system. In the process of energetic development of the market economy, contradictions among the people will be increasingly connected with the legal system. Whether or not we can solve well the contradictions among the people by strengthening the legal system, poses a test to use for this period of time we are in. Therefore, from an evolutionary point of view, Comrade Deng Xiaoping's idea of adhering to democracy and legal system simultaneously in solving contradictions among the people suits the needs of our times.

**4. Consistently refrain from launching mass campaigns and ensure the smooth settlement of contradictions among the people with powerful and effective ideological and political work.**

History has indicated that using mass campaigns to solve contradictions among the people often leads things to the opposite of their original purpose: One possibility is exaggerating faults out of all proportion, causing extreme nervousness among the people and putting everybody on tenterhooks. The second possibility is that a small number of conspirators take advantage of the opportunity and form factions and cliques, victimize aliens, and create miscarriages of justice, frame-ups, or wrong verdicts. The third possibility is that some people, under political pressure, "lean to one side" against their conscience. Though all the vital issues of right and wrong appear to have been solved, in fact the differences and estrangement at a deeper ideological level became bigger and bigger. In view of the past lessons, Comrade Deng Xiaoping strongly argued against political campaigns and had this principled stand expressed in all the political tasks for solving contradictions among the people. Take for example the opposition to bourgeois liberalization which Comrade Deng Xiaoping spoke most about and most strongly upheld. Because the overwhelming majority of the problems involved were contradictions among the people, he did not think launching a campaign was a good idea. He said: "Combating bourgeois liberalization is a long-term issue concerning education and will run side by side with the four modernizations drive"; "since it is a long-term issue, it is not something for a political campaign. We can only rely on regular persuasion and education and, when necessary, adopt some administrative and legal means." (Volume 3 of the *Selected Works of Deng Xiaoping*, p 208)

According to the approach suggested by Comrade Deng Xiaoping, the only way to solve contradictions among the people is by using the opposite of hurricane-like mass campaigns, that is, by giving play to the power of ideological and political work. Why does it have to be this way? This is mainly determined by the nature of the contradictions among the people and the objective requirements for solving them. First of all, though they may sometimes appear quite acute, contradictions among the people are, after all, created on the basis of uniformity of the fundamental interests of the people and there is no fundamental conflict of interests. They

can and should be gradually resolved through ideological and political work. If we forsook ideological and political work and resorted to political campaigns for a solution, we would surely make the grave mistake of trying to solve contradictions among the people with the method for solving contradictions between ourselves and the enemy, with farreaching consequences. Second, contradictions among the people are a frequent occurrence and solving these contradictions is a long-term commitment and naturally requires extended ideological and political work which can ensure the consistent implementation of this mission at any time. Third, safeguarding and maintaining social stability is an important starting point and destination of, and must be upheld throughout, the process of solving contradictions among the people. In other words, not only should the results of solving contradictions among the people benefit stability, its process should also benefit stability. This requires us to thoroughly abandon the practice of launching large-scale mass campaigns and, instead, rely on the effective play of the unique function and power of ideological and political work to smoothly solve contradictions among the people in a relatively gentle and moderate political atmosphere.

To be able to truly solve contradictions among the people smoothly, the ideological and political work itself must be powerful and effective. Weak and feeble ideological and political work obviously will not be able to provide an effective guarantee for the smooth settlement of contradictions among the people.

The following points are crucial to powerful and effective ideological and political work: First, the whole party must pay close attention to the importance of ideological and political work. Comrade Deng Xiaoping emphasized: Under the new circumstances, with the increase in the ideological problems within the party and among the masses, the whole party must put ideological and political work in a very important place. The party committees at all levels, the leading cadres at all levels, and each party member should carry out this work. Without close attention from the whole party, it will be impossible for the ideological and political work to gain any strength. Second, it is important to express the principle of seeking truth from facts. Comrade Deng Xiaoping pointed out: Education must be integrated with reality. As to the important ideological problems widely found among some cadres and the masses, we should fully investigate and study such problems and conduct circumspect, meticulous, and adequately convincing education. Leaderships at all levels must regularly explain practical issues and current policies as they are. Only this way can the education in ideals, discipline, communist ideology, and patriotism take effect. Third, it is necessary to address more immediate and practical issues in carrying out ideological and political work. Not only should we conduct ideological and political work in view of the specific situation of each unit and each individual, we should also highlight some points in the ideological and political work in view of the objective circumstances in

different periods of time. Comrade Deng Xiaoping once pointed out: At this moment, when our economic life is still facing a series of difficulties and we still need to conduct a series of adjustments, rectifications, and reorganizations, we should put special emphasis on teaching the principle of individual interests subordinated to collective interests, local interests subordinated to overall interests, and temporary interests subordinated to long-term interests. Fourth, we should pay attention to setting a good example. The most important precondition for making our ideological and political work more convincing is that each party member, especially those who are in leadership positions, must be the first to do whatever the masses are to be mobilized to do.

As is well known, our party once summarized the methods for correctly solving contradictions among the people into one formula, that is, the "unity-criticism-unity" formula. This means: Proceed from the wish for unity, make a clear distinction between right and wrong through criticism and self-criticism, and achieve new unity on a new basis. In this new era, Comrade Deng Xiaoping has upheld and developed this formula. He has not only emphasized the need to proceed from the wish for unity but also stressed criticism and self-criticism. Looking at the poor record of normal criticism and self-criticism in the past few years, he sharply pointed out: "On the one hand, the quality and quantity of criticism are insufficient; on the other hand, the tendencies going against criticism are very strong. Making a little bit of criticism, you would often be considered 'cross-firing' or 'using the big stick'. In fact, the critics are caught in a cross-fire, while those criticized often get sympathy and protection. We must completely reverse this abnormal situation." (Volume 3 of the *Selected Works of Deng Xiaoping*, p 46) It is very obvious that only by following Comrade Deng Xiaoping's requirements in a down-to-earth manner can we truly achieve the objective of gaining full understanding and close ranks with our comrades and, without being vague and perfunctory, avoid hurting our comrades. This is a symbol of the well-being and prosperity of our party and our country.

#### **Good Relations Among Nationalities 'Crucial' for Stability**

HK2109053594 Beijing CHINA DAILY in English  
21 Sep 94 p 1

[By He Jun: "Toasting 10 Years of Growing autonomy"]

[Text] Top legislators and judicial and government officials yesterday vowed to strengthen regional ethnic autonomy to promote development and stability.

Senior leader Buhe called good relations among all nationalities crucial for the nation's progress and stability.

He made the remarks at a seminar held in Beijing to mark the 10th anniversary of the Law on Regional National Autonomy.

The law has played a key role in enhancing economic development, safeguarding national unity and promoting legal structure in minority regions.

The next task in the regions is to speed up economic and social progress, said Buhe, vice-chairman of the Standing Committee of the National People's Congress.

The central government should pay more attention to new problems which emerged following the development of the market economy, he said. More aid [subhead]

More aid should be sent to ethnic regions, especially for upgrading their infrastructure, communications and energy, he added.

Buhe encouraged the regions to take bolder steps in reform and strengthen economic ties with the better-developed provinces. Also, border nations could provide vast opportunities for bolstered trade and economic and technological co-operation, he said.

But, he stressed, the most urgent task is to provide enough food and clothes for people living in stark poverty.

And he underlined the need to increase supervision on implementation of the 10-year-old law.

Buhe, however, said the law needs to be updated to meet the needs of the market economy.

Legislatures in 119 out of the 157 autonomous regions, prefectures and counties have adopted their own regulations on implementing the law.

Tibet's leaders marked the anniversary by pledging to uphold and improve the political structure of the autonomous region, according to a Xinhua report yesterday.

#### **Deng Xiaoping Picture Album Published in Beijing**

OW1709190894 Beijing XINHUA in English 1320  
GMT 17 Sep 94

[Text] Beijing, September 17 (XINHUA)—A large-size picture album depicting how Deng Xiaoping designed China's reform has been published by the Beijing-based Reform Publishing House recently.

The album, with more than 300 pictures and some 40,000 illustrated words, is divided into six parts, in line with the major steps Deng took to lead the country forward, include opening to the outside world, focusing on economic development, and the "one country, two systems" policy.

Wu Jie, deputy director of the State Commission for Economic Restructuring, was the editor-in-chief of the album.

#### **China Reportedly Strives To Control AIDS**

OW1909144894 Beijing XINHUA in English 1431  
GMT 19 Sep 94

[Text] Beijing, September 19 (XINHUA)—China is popularizing general knowledge about AIDS among its



people in a bid to control the infectious disease, according to the latest issue of "OUTLOOK WEEKLY," published today.

The central government will strengthen the organizational leadership; launch publicity programs; increase funds for the study and prevention of aids; expand international cooperation and issue policies and laws to control AIDS.

A survey shows that the disease had spread to 184 countries and regions affecting 15 million people by the end of last year.

China found its first AIDS case among tourists who were visiting the country in 1985.

Altogether, 1,361 AIDS-infected people had been discovered by the end of May this year in China. A total of 255 were foreigners and overseas Chinese, and 1,106 were mainland Chinese.

According to the weekly, 85 percent of these people were living in Yunnan Province, which borders Myanmar [Burma], Laos and Vietnam, and the rest were living in 21 other provinces and municipalities, including Guangdong, Fujian, Zhejiang, Beijing and Shanghai.

The disease is so far prevalent mainly among young and middle-aged people in border areas, and coastal and major cities.

A report by the quarantine bureau under the Ministry of Public Health shows that 150 cases of AIDS were found among people coming and leaving China during the 1985-1991 period, 115 cases in 1992, and 71 in 1993.

Experts estimate the actual figure of AIDS-infected people to be larger than the present figure of 1,361, due to the limited survey data and scale.

According to a prediction by the World Health Organization (WHO), the number of China's AIDS sufferers will be by no means lower than Asia's average by the end of this century.

This is because of the rise of the incidence of such infectious disease internationally, especially in the neighboring countries; the floating population moving from rural to urban and from interior to coastal areas, and among cities; the lack of general knowledge about AIDS prevention; and the increase in prostitution and drug addiction.

Medical experts said that the treatment of one AIDS patient costs from 64,000 yuan to 86,000 yuan, 29 times to 30 times that of the average per capita gross domestic product.

The annual medical treatment cost averages between 3,300 yuan and 7,400 yuan, about one half of the average annual family income. Such a high cost is beyond the capacity of either a single person or a family, and would be a great burdens on society.

To control the highly infectious disease, China has drawn on the experience of foreign countries and worked out its own AIDS control and treatment principle in line with its actual conditions.

#### Table of Contents for QIUSHI No 18, 16 Sep

HK1909040494 Beijing RENMIN RIBAO in Chinese  
15 Sep 94 p 7

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### Science & Technology

#### Sino-German Joint Venture To Develop Satellites

HK2109063194 Beijing CHINA DAILY in English  
21 Sep 94 p 3

[By Gao Jinan: "Space Joint Venture To Fire New Satellite"]

[Text] A Sino-German joint venture has been set up in Beijing to develop state-of-the-art satellites. Both sides of the company hope to upgrade their technology and boost their sales.

The new high-tech enterprise, EurasSpace BmbH, was made by German Deutsche Aerospace AG (Dasa) and China Aerospace Corporation (CASC).

The firm has a registered capital of 7 million Deutsche marks and plans to start producing high-capacity satellites for the Chinese market.

The new satellite is expected to be launched in 1997 and will transmit data to the People's Bank of China.

Huang Baozhong, manager of the Chinese side, said the satellite will be developed along the same lines as the Chinese Dongfanghong-III communication satellite, which the Germans participated in.

Huang said the new dish will have six high-capacity Ku-band transponders and 12 C-band transponders. The German side will contribute an altitude orbit control system.

Li Jiyuan, president of the Chinese side of the company, said that the production and final testing of the satellite will be conducted in China and will be launched by a Long March series rocket carrier.

Liu termed the Sino-German cooperation as "a new model for international co-operation in space programmes."

Such ties will improve Chinese satellites and increase exports, he said.

Liu and Werner Heinzmann of Dasa said that their co-operation has government support.

The memorandum was signed in 1993 during German Chancellor Helmut Kohl's visit to China and the joint venture was launched in July during Chinese Premier Li Peng's visit to Germany.

Liu said that China welcomed extensive bilateral, multilateral, regional and global exchanges and cooperations in space programmes.

#### Qiao Shi Urges Faster Technological Development

OW2009135594 Beijing XINHUA in English 1304  
GMT 20 Sep 94

[Text] Beijing, September 20 (XINHUA)—Qiao Shi, a senior Chinese leader, called today for efforts to speed up the development of science and technology in China.

While inspecting the Beijing University Founder Group Corp., Qiao, chairman of the Standing Committee of the National People's Congress, congratulated staff of the company on their achievements in the high-tech industry.

Since its establishment in 1986, the company, based in northwestern Beijing, has been developing electronic publishing systems and has become one of the largest firms in China's electronics industry.

Its electronic publishing systems are in wide use throughout China, and have been exported to Europe and other countries in Asia. Its turnover exceeded 900 million yuan-worth in 1993.

Qiao, who is also a Standing Committee member of the Political Bureau of the Chinese Communist Party Central Committee, visited the company's press business network system and its color typesetting center. He watched demonstrations of its electronic publishing system for typesetting for books and newspapers.

The leader told workers that he was delighted that China's publishing industry had shifted from lead and fire to light and electronics.

"Comrade Deng Xiaoping's statement that science and technology are the most important productive force is entirely correct," he said.

"In the future we must accelerate the development of science and technology, and vigorously expand the productive forces in China in order to lift the country's economic construction to a new height," he said.

#### Article Urges Technology Development Strategy

HK2009081594 Beijing RENMIN RIBAO in Chinese  
20 Jul 94 p 3

[Article by Zhou Guangzhao (0719 0342 0664): "A Few Reflections on Some Strategic Issues Concerning the Development of China's Science and Technology"—excerpted from the author's speech delivered to the Seventh Congress of the Chinese Academy of Sciences on 3 June 1994]

[Text] In another six and half years, we will be in the 21st century. The Chinese nation is now facing a critical era in the history of her development. In the nation's effort to seize the opportunity, accelerate development, and realize her long-cherished dream of becoming rich and powerful in the midst of intense international competition, the scientists and technologists of this country are taking on an important historical mission. Therefore, we

should often think about strategic issues concerning the promotion of the development of China's science, technology, and economy and find our own answers to them.

1. Comrade Deng Xiaoping has repeatedly emphasized the importance of expanding opening up and maintaining a relatively fast rate of development. He said: "As far as China is concerned, in the 1950's it was not that far behind Japan in technology. But we kept our door closed for 20 years during which competition on the international market was not placed on our agenda and during which Japan became an economic giant." (Volume 3 of the *Selected Works of Deng Xiaoping*, p 274)

To seize the opportunity and to accelerate development, opening up is imperative. This is a very profound idea. From the point of view of natural science, internal motion and change in a closed system which has severed interaction with the external world gravitates toward equilibrium, uniformity, and eventual death. An organism, once deprived of exchanges with the external world of matter, energy, and information, will soon die. A closed and isolated social system, against the background of ever-evolving history, will also halt, mark time, and gradually decline. Only constant, strong interactions with the outside world can create conditions for the rapid development of a system.

In an environment of open competition, the relative quality of all things is seen through lateral comparison. Therefore, the rate of development is an important parameter. A fast-developing system is in a relatively stable state, while a slowly developing system is in a relatively unstable state. The evidence for this is frequently seen in nature. While a fast-developing population enjoys stronger adaptability and a greater power of survival, a slowly developing population may be gradually eliminated for various reasons. Thus it can be seen that uneven development is a common rule. It is the very unevenness of development that creates the recurring reality whereby the advanced become backward and the backward catch up or overtake the advanced.

Given the same external conditions, the development of different systems leads to different results. Some systems, with their internal creativity stimulated and their cohesiveness enhanced by external action, may obtain high-speed development; others, suffering from dissipating and damaging forces under external influences, may move toward disintegration.

Such a discrepancy between the two types of development is caused by different internal factors. To seize the opportunity and speed up development, it is imperative to improve the internal factors, carry out reforms internally, and create a mechanism which enables one to seize opportunities effectively and courageously.

2. Our country is a socialist giant whose economy and science and technology are not yet developed, and it is in

the midst of accelerated modernization. The development of the economy and science and technology will face even more intense international competition. Whether or not we can give full play to our advantages and blaze a new trail of mainly relying on ourselves and catching up by taking advantage of the opportunities brought on by the opening up drive is a major life-and-death issue.

When drawing up a strategy, we must fully understand the following four points: First, compared with advanced countries, China's overall economic strength and scientific and technological levels are in an inferior position; second, a large population, a relative shortage of resources, and the deterioration of the environment have brought and will continue to bring heavy strains and restrictions on development; third, the scope and enormous potential of China's market can stimulate the development of the international economy; fourth, diligent people, a high ratio of savings to income, and low rates of pay create favorable conditions for the accumulation of capital and the development of industry. The first two points determine the arduousness of development and the necessity of realizing sustained development. We should be prepared for hard struggle over a period of dozens of years. Only by maintaining a relatively fast pace of development on the basis of a balanced relationship between man and nature, and between the environment and development, can we possibly achieve the goal of catching up with medium-developed countries. The third and fourth points make it possible to utilize domestic and overseas capital and technology, speed up the progress of our own science and technology and industry, and achieve a relatively fast growth rate. Therefore, on an overall scale and in the interests of the whole, we should adopt a strategy of sustained development, i.e., a long-term effort. In the meantime, however, we must launch campaigns of quick decision by concentrating capital and manpower on certain areas and skip over some stages of technological development to achieve a fast rate of development.

For a society to obtain fast development, the productive forces must develop at a fast pace before anything. But speed should not just be manifested as an increase in the quantity of products and the expansion of the scale of production. What is more important is better effectiveness, higher efficiency, higher product quality with cheap prices, a permanent supply of resources for utilization, and a gradual improvement of the environment. Only in this way can the speed be maintained and can society develop in a sustained, rapid, and healthy manner.

3. The improvement of modern productive forces mainly depends on scientific and technological advances. The solution to problems concerning resources and environment must depend on scientific and technological advances. Only by relying on modern science and technology can we create effective and efficient productive forces capable of sustained development.



Where is the opportunity for scientific and technological development? To answer this question, it is imperative to understand the law of scientific and technological development and the connection and difference between science and technology. After obtaining relative independence from production, science has normally preceded economic development and the development of production, and is one of the three major practices of mankind. It is conducted in laboratory conditions and in nature. The important scientific findings of a given period are built on the basis of all the scientific advances hitherto and the advanced equipment available with current production technology. Such findings are inevitable, but it is hard to predict and is therefore of a fortuitous nature as to where the findings will be made and by which scientists they will be made by.

Technology is part of actual productive forces. The needs of technology set new problems and point out the direction of further research for the development of science. This means the opportunity for the development of science and technology stems from the scientific foreground in which research is undertaken and major breakthroughs are just around the corner; it also comes from the needs of technology and the development of technology, and, in turn, is motivated by the strong demands of production.

The planning and strategic choice for the development of science and technology must fit in with national conditions. The economy found at different stages of development corresponds to different industrial structures and technological structures. If the structure of science and technology deviates far from the corresponding stages of economic development, it is detrimental to the development of the economy and science and technology. But since science and technology must guide the development of modern industry, it is imperative to conduct in-depth planning and consider economic development in the coming phase with foresight. Changes in the competition between the United States and Japan in the home appliances industry over the past decade or so, for example, are very revealing. We must make an accurate judgment of our situation and establish our own strategy and tactics.

4. Over the past decade or so, China has imported large amounts of advanced technology from abroad, bringing about big improvements in technological standards and the production capacity of some industrial sectors. This, undoubtedly, is an important measure for promoting the acceleration of technological advancement in China's industry. In the future, we should make full use of the open international environment, continue to introduce technology from overseas, and upgrade the starting point for the technological advancement of enterprises. However, the success of such introductions depends on the subsequent absorption, assimilation, and innovation. Only when assimilation and innovation are effective can it be possible to promote technological advancement on a consistent basis and become more competitive on the

international market. In this day and age when science and technology are moving ahead in leaps and bounds, even the most advanced equipment and technology will only have a very short life. To rely on our own scientific, technological, and engineering resources and conduct absorption, assimilation, improvement, and innovation on the basis of introduction from overseas is an important precondition for catching up.

At present, to attract more scientists and technologists to our country to participate in technological importation and the subsequent absorption, assimilation, transformation, and innovation is of great significance. It requires governments at all levels to knock down restrictions of departmental ownership and local interests and to make energetic efforts to promote the integration of scientific research and the industrial sector.

5. We should adopt a strategy of rapid response and racing to control the commanding point toward up-and-coming high-technology fields in which technology has not fully matured or taken shape, but whose rapid development may revolutionize industry in the future. It is necessary to concentrate human, material, and financial resources and give the required support. It is necessary to channel resources into a small number of selected domains by making use of the market economy mechanism in a bid to achieve a quick breakthrough and have it industrialized. Because our country boasts the largest intellectual resources in the world, we may have the conditions to make such breakthroughs before anyone else in those domains which require high intellectual input, as opposed to big capital inputs, and to industrialize them.

At present, the information industry is on the eve of a revolution. New technologies characterized by digitalization, network systems, mobility, intelligence, and comprehensiveness will thoroughly change the existing working methods of design, production, marketing, services, and banking, as well as people's lifestyles. There are a host of opportunities here. The revolution in the information industry will be a major catalyst in the development of computer, microelectronics, photoelectronics, lasers, automation, telecommunications networking, functional materials, applied mathematics, and other sciences and technologies.

6. Scientific findings are not only the pride of a country or nation, but, to a greater extent, the shared cultural wealth of all men. Scientific findings are only meaningful if they are original, as repeating the discoveries that have already been made does not have much point. Therefore, to help extricate China's science from a state of backwardness, we must join the international scientific arena and make new contributions representing the Chinese nation, win honor for our nation and country, and boost our national dignity and confidence. Because of the inevitability and unpredictability of scientific discovery, we must concentrate on cultivating the basic conditions for forming scientific discovery instead of trying to help



the crops grow by pulling the shoots upward, so to speak, on specific projects, which only defeats the purpose. For this reason, it is important to integrate the advantages of research institutes and universities under the principle of openness and mobility, attract excellent academic leaders from different disciplines and a batch of ambitious and talented young people, establish integrated scientific research centers, and take part in competition on the forefront of international science. We have reason enough to believe that as long as the basic conditions are well created, more and more outstanding young talent will be attracted to research on the scientific forefront, and if the academic atmosphere of letting a hundred flowers blossom and a hundred schools of thought contend prevails, new discoveries and inventions are set to keep emerging.

In the next century, major breakthroughs will be made in such fields as life sciences and cybernetics. Once mankind solves the mystery of life and discovers the origins of intelligence, a brand-new epoch in the evolutionary history of human society will emerge. It will thoroughly change agriculture and medicine, improve the environment, and give more depth and dimension to research in such disciplines as chemistry, physics, artificial intelligence, and complex systems. It is our hope that Chinese scientists, especially young scientists, will be prepared, seize any opportunity, and make great contributions worthy of the times.

7. Setting great store by innovation and being able to innovate effectively is a basic precondition for moving from backwardness to being advanced. It is true with basic scientific research, it is true with high-technology research and industry, and it is also true with the technological transformation of enterprises. Innovation does not mean technological innovation alone. It should expand to include a series of processes, such as market analysis, product design, project promotion, production technology and control, packaging and transportation, and market exploitation. It involves a series of links, such as the training of human resources, incentive mechanisms, and the distribution of interests. Afflictions which hamper innovation, such as the seniority system, following the beaten path, the iron rice bowl system, and the big pot system, should be conscientiously solved in the process of in-depth reform.

#### **National Health Technology Park Develops in Guangdong**

HK1909051894 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 18-24 Sep 94 p 4

[By Li Wen: "Advanced Medical Facility Takes Shape"]

[Text] ZHONGSHAN, Guangdong—China's stepped-up efforts to develop a pharmaceutical industry are turning to the creation of a research park here.

The project was the focus of a recent international conference in Zhongshan on the establishment of a

National Health Technology Park, the first State-level medical research and production base.

The National Medical Centre, founded in Zhongshan in April, will be China's premier base for new medicinal research, development, clinical testing and production.

"The centre is a crucial component in the drive toward making China one of the world's leading producers of top quality drugs," said Hui Yongzheng, vice-chairman of the State Science and Technology Commission.

"The market for pharmaceuticals is increasing but China's investment in the development of new drugs is far behind that of the developed countries," said Gan Shijun, a high-ranking official in charge of the research and development of new drugs.

It usually takes millions of dollars to research and commercialize a new drug.

The new medical base, with an investment of more than 3 billion yuan (\$344 million), will be built under the supervision and regulation of the United States Food and Drug Administration (US FDA), recognized for setting the world's medical standards.

Hui said the new centre will also play a significant role as China prepares for re-entry into the General Agreement on Tariffs and Trade (GATT).

In another development, a national leading group on the Coordination of Research and Development of New Drugs was built in January, last year.

"China is willing to receive all kinds of foreign capital or technology investment to help build up the park," Hui said. The centre is scheduled to be operational in 15 years.

So far, all top 15 drug manufacturing companies have established a foothold in China, either in representative offices or production plants.

Many foreign companies, including Ciba-Geigy, a Switzerland-based biological and chemical giant and the Hong Kong-based Peregrine Brokerage (China) Limited showed interest in participating in the construction of the project during the conference.

Chang Ka Mun, director of the Hong Kong-based investment company, said that Peregrine is planning to establish a pharmaceutical fund to help to collect capital for the health technology park.

Francois L'Eplattenier, executive committee member responsible for research and development from Ciba, said China's 1.2 billion population promises a huge and promising market for the pharmaceutical industry.

"The industry possesses immense growth potential here," he commented on his first trip to China.

China's pharmaceutical production value reached 73.4 billion yuan (\$8.44 billion) last year, an increase of 690 percent from 10 years ago.

Imported drugs increased 765 per cent from 1981 to last year.

Health statistics show there are more than 100 million people in China over 65-years-old and the figure is estimated to reach 131 million by the year 2,000.

Urban medical consumption per person per year was 90 yuan (\$10) last year, a 40 percent increase from a year earlier.

### Video Network Links Provinces to Beijing

HK1909060594 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 18-24 Sep 94 p 8

[By Lu Hongyong: "Provinces Linked By Network"]

[Text] Video conferences are taking root in China following the recent establishment of a network linking Beijing to each of the provincial capitals.

The Ministry of Posts and Telecommunications (MPT) has just finished building the first stage of the national phone-video web, known as the Dedicated Digital Network (DDN).

With a DDN system, officials can attend national conferences in their home provinces without travelling to Beijing.

Premier Li Peng inaugurated the system when he convened a price control conference with about 1.8 million local cadres on September 6.

Network construction within some provinces is under way to extend video conferences to county towns. The first stage of investment has already cost 90 million yuan (\$10.5 million), which does not include overheads for conference facilities and cables.

With the national network already in place, MPT will kick off the second phase of construction next year, installing pivotal relay stations in major cities, said Li Zhengzhong, a senior engineer from the Beijing Radio Telecom Bureau.

With servers, or Multi-control Units (MCU), installed in each pivotal station, a conference chaired in Beijing will be able to rally local officials. Then, provinces could get in touch with each other through their branch hubs without using the Beijing DDN line.

Expertise and equipment for the national DDN system came from the California-based Compression Labs Incorporated (CLI), a leader of compressed digital video (CDV) technology.

The traditional way to transmit video signals with analog technology costs too much as it needs hundreds of

telephone lines for one transmission, said CLI's Asian Pacific managing director Raymond C. Hsu.

Hsu said CDV technology offers to save bandwidth, thereby cutting transmission costs. For example, if an analog transmission signal demands 960 lines, another compressed and digital signal needs only 30.

Problems, however, are still lurking. The ministry's biggest concern is compatibility between the networks of the different provinces.

As they joined the rush to install the new system, provinces chose a variety of brands. CDV makers differ in technology, which poses a serious question of MCU compatibility.

Globa] experts are struggling to come up with an international standard but have yet to agree on one. This affects CDV business in China, which will be quite clear by December when the ministry of railways will award franchises to connect its 12 regional bureaux.

Major CDV producers—Britain's GPT, France's SAT, and CLI and Picturatel from the US—will vie for the bids.

"We hold out fair chances," said Qiu Zhenbang, director of the DDN office. "Whoever turns their MCU technology into ITU standards seizes the market."

### Economic & Agricultural

#### Beijing Drafting Law To Regulate Investment Trusts

HK2109062994 Beijing CHINA DAILY in English 21 Sep 94 p 2

[By Liu Weiling: "Law Planned to Regulate Investment, Trust Firms"]

[Text] China is drafting a law to govern the trust and investment industry, which is playing an increasingly important role in the country's economic and financial reform.

The draft has been completed and is being sent to government departments for comments, officials told a seminar on the role of trust and investment companies in enterprise reform, held yesterday in Beijing.

The officials said the law is expected to be promulgated in 1996.

Since China's first trust and investment company appeared in late 1970s, the industry has developed quickly. It focuses on deposits and loans, securities, investment and consulting, according to an official with the People's Bank of China.

There are 390 trust and investment companies in China, with total assets of 300 billion yuan (\$35 billion).

The companies are competitive and energetic and have provided diversified financial services in support of economic development, the official said.

The seminar, sponsored by the China Insurance Trust and Investment Co, the Institute of Industrial Economics of the Chinese Academy of Social Sciences and Reform magazine, also explored the role of property rights transfer in the reform of State-owned enterprises.

Ma Kai, deputy director of State Commission for Economic Restructuring, said that China should set guidelines for transferring property rights in State-owned enterprises to prevent the drain of State property.

The guidelines must specify who has the right to sell and buy State properties, what kinds of State properties can be traded, whether the transactions should be taxed and how to use the proceeds from the sales.

Management standards should also be imposed on institutions that play intermediary roles in the transactions, such as accounting firms, asset evaluation companies and markets where property rights are traded.

#### **Organization Sponsors Conference on Border Trade**

OW2009144694 Beijing XINHUA in English 1357  
GMT 20 Sep 94

[Text] Harbin, September 20 (XINHUA)—China is to enlarge its cooperation with bordering countries, according to an economic working conference on neighboring countries sponsored by the Ministry of Foreign Trade and Economic Cooperation (MOFTEC) here early this month.

China's neighbors include the Democratic People's Republic of Korea, Mongolia, Vietnam, Laos and countries of the Commonwealth of Independent States, including Russia.

China's economic cooperation with surrounding countries has developed quickly in recent years. Last year the contracts signed between China and its surrounding countries were valued at 720 million U.S. dollars and the business volume was 360 million U.S. dollars-worth.

Of these countries, Russia is China's largest trading partner, accounting for 80 percent of the whole contract value and 90 percent of the business volume.

But in the first half of this year economic cooperation was sluggish, with the contract value with Russia dropping by 37.7 percent and business volume by 16.4 percent.

A senior official from MOFTEC said at the conference that economic and trade cooperation between China and its neighbors is experiencing a "running-in" and will enter a new period of orderly development.

MOFTEC called Chinese companies to establish mutually complementary and long-term ties with foreign partners and build up their credibility by improving the quality of their products.

#### **Conference Says Foreign-Funded Firms Spur Economic Growth**

OW2109015794 Beijing XINHUA in English 0103  
GMT 21 Sep 94

[Text] Haikou, September 21 (XINHUA)—Foreign-funded companies have become a major force in spurring China's economic growth, according to a national conference on attracting foreign investment, now in session here.

By the end of 1993 China had approved the establishment of 175,000 such companies, involving a total of 221.8 billion U.S. dollars in overseas investment, a delegate to the conference said.

Foreign funds accounted for 10 percent of the investment in fixed assets throughout China in 1993, up 7.2 percentage points from the 1980s, he said.

In open coastal cities and special economic zones, foreign-funded firms manufactured 125.5 billion yuan-worth of goods in 1993, 14.6 percent of industrial output value in these cities and zones.

The ratio was 59 percent in economic and technological development zones in open coastal cities and 64 percent in four special economic zones—Shenzhen, Zhuhai, Shantou and Xiamen—where flexible policies are being pursued to encourage overseas investors.

"Foreign-funded firms are also playing a major role in expanding the export-led economy in China," the delegate said.

Imports into and exports from such firms amounted to 41.8 billion U.S. dollars-worth in 1992, 26 percent of imports into and exports from China, he said.

Such firms in open coastal cities and special economic zones exported 13.3 billion dollars-worth of goods in 1993, nearly 41 percent of total exports from these cities and zones, he said.

The ratio was roughly 56 percent in economic and technological development zones in open coastal cities, he added.

"Foreign-funded firms have become a major source of tax revenues all over China," he said.

China's tax revenues from such firms amounted to 10.7 billion yuan in 1992, up 53 percent over the previous year and 2.6 percent of the total revenues.

Such firms in Shanghai, the country's leading manufacturing center, paid a total of 3.8 billion yuan in taxes to the government in 1993, 16 percent of the city's tax revenues.



Foreign-funded companies in Guangdong Province, a rising economic giant in south China, paid 3.15 billion yuan in taxes to the government in 1992, 13 percent of Guangdong's tax revenues, the delegate said.

Such companies employed a total of 6 million people at the end of 1992, 4 percent of the country's workforce, he said.

He noted that the establishment of such companies has brought updated technology into China in a variety of industries, such as optical-fiber cables, telecommunications equipment, automation meters, color TV sets, elevators, large-scale integrated circuits, miniature motors, passenger cars, new building materials and pharmaceuticals.

#### **Paper Reports on Performance of Foreign-Funded Enterprises**

OW2109083494 Beijing XINHUA in English 0808  
GMT 21 Sep 94

[Text] Beijing, September 21 (XINHUA)—The economic performance of the foreign-funded enterprises in China has improved further but at a relatively slower pace last year, according to today's ECONOMIC INFORMATION DAILY.

The results of a recent annual inspection of foreign-funded enterprises showed that by the end of 1993, 66,988 of the 142,691 foreign-funded enterprises that have been registered have gone into operation, 41 percent of which are profitable.

The inspection conducted by the State Administration of Industry and Commerce and its local bureaus indicated that the economic performance of the foreign-funded enterprises has improved slightly, as compared with 1991 and 1992.

The actual foreign investment of these enterprises in 1992 was 15.9 billion U.S. dollars, tripling that in 1991. Last year, the figure went up to 38.5 billion U.S. dollars, 2.4 times that of 1992.

In 1993, the inspected foreign-funded enterprises reported a sales volume of 134.5 billion U.S. dollars, 1.7 times the figure for 1992. Some 61.6 billion U.S. dollars were earned through exports, 3.5 times that of the previous year.

The inspected enterprises paid more than 6.5 billion U.S. dollars in tax, 1.9 times that of 1992. Their after-tax profits reached more than 8.1 billion U.S. dollars, double that of 1992 and 6.4 times that of 1991.

Economists attributed the increase in sales volume, taxes and profits to added investments and extended scales. In 1993, foreign-funded enterprises added 5.4 billion U.S. dollars worth of investments, 1.1 billion U.S. dollars of which came from solely-funded enterprises.

By the end of 1993, nearly 7,000 foreign-funded projects involve an investment of more than ten million U.S. dollars each, and 50 percent of them were registered in 1993.

Nevertheless, the delayed allocation of foreign funds have affected to some extent the economic performance of these enterprises.

#### **Certain Service Industries To Open to Foreign Capital**

HK2109042694 Hong Kong LIEN HO PAO in Chinese  
2 Sep 94 p 22

[Report: "Services Markets, Including Banking, Insurance, Petroleum, and Retailing To Open Further to Foreign Capital"]

[Text] Mainland China will further open up its services market and allow foreign investors to take part in the development of the following business:

**Banking:** The mainland will allow foreign investors to set up Sino-foreign joint-venture financial companies, solely funded companies, and joint venture or solely funded banks places like Shanghai, Shenzhen, and Zhuhai. These banks and financial institutions can only run renminbi business with the approval of the departments concerned.

**Insurance:** This sector will be opened up conditionally. At present, Sino-foreign joint-venture insurance companies are only allowed to operate in Shanghai, but every joint-venture party should have been in business for 30 years, should have established a mainland office for three years, and must have more than \$5 billion of assets a year before the application. The scope of business includes depositing money in mainland financial institutions; purchasing government, enterprise, and financial bonds; extending credits in foreign currencies; investing in stocks; and engaging in other business authorized by the People's Bank of China.

**Accounting and auditing services:** Foreign businessmen will be allowed to invest, together with their relevant mainland counterparts in a joint-venture form, in fields related to accounting and auditing in economically developed areas. Meanwhile, foreign parties must fulfill certain criteria: Not less than 10,000 professional employees and not less than \$1 billion of annual income.

**Medical and health care services:** Overseas institutions will be allowed, in light of actual needs, to establish joint-venture hospitals in an experimental form, but most medical personnel should be mainland residents, and the problem of payments in foreign currencies should be solved by the hospitals themselves.

**Advertising business:** Foreign businessmen are not allowed to run solely funded advertising agencies in the mainland, but they are allowed to set up joint-venture

firms and foreign parties must fulfill the following criteria: They must be legal person enterprises mainly running advertising business and possessing advanced technical equipment and management experience.

**Petroleum industry services:** Foreign investors are allowed to engage, in a form of Sino-foreign cooperation, in such services as scientific and technological consultation and geological prospecting for the offshore petroleum industry. Foreign parties should fulfill the requirements set by the "Notice on the Registration of Foreign Companies Participating in Activities and Contracted Projects of Cooperative Exploitation in the Mainland" and by the Chinese side's papers on inviting tenders. Foreign enterprises are allowed to cooperate with the Petroleum and Natural Gas Exploitation Corporation to exploit petroleum in designated areas.

**Real estate and project construction industries:** Foreign investors are allowed to invest in real estate and to start project design companies in a joint-venture form, but they are not allowed to set up professional construction companies.

**Transport services:** Foreign investors are allowed to engage in shipping agent services, and they are also allowed, if necessary, to set up Sino-foreign companies to run highway transport business.

**Commercial retail sales and trade:** At present, it has been approved to run, on an experimental basis, joint-venture commercial retail sales enterprises in Beijing, Shanghai, Tianjin, Guangzhou, Dalian, Qingdao, and five special economic zones. A total of 10 projects in the above areas have been approved.

**Foreign trade:** Foreign businessmen are allowed to run entrepot trade inside the bonded zone of the Shanghai Pudong New Area and to act as export and import business agents for foreign-invested enterprises inside the zone.

In addition, the mainland will also allow foreign businessmen to invest, in a joint-venture form, in the following service sectors: Technical examination and analysis services and related scientific and technological consultation and equipment maintenance; notification and quality services related to agriculture, forestry, animal husbandry, and fisheries; and computer system design, programming, and data processing and input services.

#### **Fujian, Sichuan See Decreased Foreign Investment**

HK2009044494 Hong Kong TA KUNG PAO in Chinese  
31 Aug 94 p 17

[Report: "Foreign Investment in Fujian Drops and the Province Plans To Sell Interest in State Assets To Attract Foreign Capital; Foreign-Funded Enterprises Established in Sichuan in First Half Year Decline by 48 Percent"]

[Text] Other than in one or two areas, the foreign capital utilized by most provinces and cities in the first half year declined by varying degrees. From January to June, Fujian, a coastal province, approved 1,627 foreign investment projects with a contracted amount of \$3.82 billion, down by more than 3.5 percent from the same period last year. Sichuan, an inland province, approved the establishment of 618 foreign-funded enterprises with a contracted amount of \$822 million, down 48 and 42 percent respectively.

The Fujian authorities believe that the tax and foreign exchange reform measures introduced this year, as well as the tight money supply, have had a certain impact on the growth in foreign investment. However, the profound reason is that Fujian has lost the edge brought about by the preferential policies it enjoyed in the 1980's since more and more areas across the land have opened to the outside world. In the meantime, after three years of rapid provincewide economic growth the infrastructure, including transport facilities and the energy industry, has clearly failed to keep abreast of economic development. Under the circumstances foreign investors, who now have more options, are naturally taking less interest in Fujian.

To solve the problem with infrastructural development, Fujian is planning to raise 30 billion yuan in various ways and through various channels to build up, in the next three to five years, 33 large and medium key infrastructural facilities. The authorities also expect these will stimulate capital construction in other fields to match the economic development.

At the same time, while ensuring state assets will not suffer losses, Fujian is planning to attract foreign capital by offering certain interest in state enterprises to foreign investors. For those completed projects, the franchised management right for a certain period will be transferred to recoup investment and to accelerate the turnover of funds for key projects. In addition, foreign businessmen will be encouraged to provide high and new technology as their investment.

The Sichuan authorities believe that though there was a notable decrease in foreign investment in the first half year, the investment pattern has actually improved. In the first half of last year, 1,200 foreign-funded enterprises were set up in Sichuan with a contracted amount of \$1.425 billion, of which \$700 million went to the real estate and building industries. In comparison, only \$200 million in foreign funds were invested in these two industries this year, indicating that the state's macrocontrol has yielded initial results.

In the first half of this year, though there were only 15 foreign funded enterprises engaged in basic industries including transport, post, and telecommunications in Sichuan—a 50 percent decrease over the same period last year—the contracted foreign capital increased by 35 percent, with the average investment in each foreign-funded enterprise exceeding \$10 million.



**Minister Views Making Auto Industry 'Pillar' of Economy**

HK2109073694 Beijing ZHONGGUO XINWEN SHE  
in English 1257 GMT 20 Sep 94

[Text] Beijing, September 20 (CNS)—China is harbouring an idea on developing the automobile sector into a pillar industry of the national economy by the year 2010, said the Minister of Machine Building Industry Mr. He Guangyuan.

Speaking at a conference on the automobile industry, Mr. He said that the goal could be realized in three phases. First, a solid foundation has to be laid between 1994 and 1996 during which adjustment of the product pattern has to be emphasized while state approved sedan and light vehicle items have to be completed. Components and spare parts items supplementary to the automobile projects have to properly carried out. A number of items involving technological renovation by components and spare parts enterprises have to be conducted earlier than scheduled by the year 2000. They are aimed at making possible domestically processed section involved in the car making reach between 60 and 80 percent. A joint exploitation of new model has to be staged either between enterprises at home and abroad as well as between those at home in order to pave way for further development.

The second stage will fall between 1997 and the year 2000 during which adjustment of product pattern as well as enterprise pattern has to continue with an annual turnout of about 2.7 million cars by the year 2000, of which sedan makes up 1.35 million. Up to three large automobile enterprise groups of great strength will be set up in addition to establishment of six to seven backbone automobile enterprises. They will exploit their own model of automobile according to the market.

The third stage is between the year 2000 and 2010 during which an accelerated phase for development of the car industry is seen. The annual turnout will reach six million cars by the year 2010, of which sedan will account for four million. Self management, production and marketing will be employed by that time.

In order to realize the goal of building the automobile business into a pillar industry, Mr. He said that breakthrough had to be made in four sectors. First, the scattered production pattern has to be overcome. An initial production pattern for sedan and light vehicle has to be employed at the first stage and then mass production by enterprise groups has to be undertaken.

Second, backwardness of components and spare parts industry has to be reversed and a strong base on components and spare parts is a must for further development of the automobile industry.

Third, exploitation of car model has to be undertaken by individual car makers. Emphasis is first put on exploitation of the vehicle body.

Fourth, the market pattern featuring group consumption has to be changed and a car market has to be cultivated with creation of the sedan market for individual families.

**Ministry Paper Reports on Telecommunications Projects**

OW2109083394 Beijing XINHUA in English 0723  
GMT 21 Sep 94

[Text] Beijing, September 21 (XINHUA)—China will build 17 new trunk optical cables and another 11 ground satellite stations during the Ninth Five-Year Plan period (1996-2000).

According to PEOPLE'S POSTS AND TELECOMMUNICATIONS NEWS, by the turn of this century, the country will form a network of optical cables which will link up all provincial capitals and most of the big and medium-sized cities of the country.

Over the past decade and more, China has made painstaking efforts to boost its posts and telecommunications to cater to the demands of fast economic development.

The country has built 22 optical cables, with a total length of 37,000 km since 1991 and has built a long-distance transmission network of optical cables, satellite and digital microwave equipment.

At the same time, the growth of telephone lines has been at a rate of 50 percent over the past two years.

Up to the end of June, the total handling capacity of telephone exchanges across the country had expanded to 48 million telephone lines, according to the newspaper, which is run by the Ministry of Posts and Telecommunications.

**Chemical Industry Ministry Announces Investment Projects**

HK1709074394 Beijing CHINA DAILY in English  
17 Sep 94 p 1

[By Zhang Yuan: "100 Chemical Projects Seek Funds"]

[Text] The Ministry of Chemical Industry yesterday announced a list of some 100 projects seeking foreign investment as well as 130 pieces of technology and equipment ready for export.

The announcement was made at a conference on technical and economic co-operation organized by the ministry. It was the first of a series of activities designed to promote Sino-foreign co-operation at the International Chemical Industry Fair '94 that opened in Beijing yesterday.

The 100 projects mainly involve the agro-chemical and petrochemical sectors, and the products are primarily for use in the automotive and electronics industries. Foreign advanced technology and capital will be sought for them.



The technology and equipment export items are all Chinese-developed and are particularly suitable for developing countries in terms of their price and technical level.

Chemical Industry Minister Gu Xiulian hailed the event as an important move by the ministry to further understandings and promote economic and technology exchanges.

Vice-Minister He Guoqiang outlined more than 200 Chinese and foreign participants development strategy of the chemical industry outlined in the 1996-2000 period, saying that more foreign funds will be used to boost the chemical industry. The funds will include direct foreign investment and loans from world financial organizations and foreign governments as well as overseas commercial loans.

Lu Lizhu, chief engineer of the Ministry's Planning Institute, announced that more chemical projects will be built in the remaining years of this century.

In the next few years, the ministry will guarantee the smooth operation of eight large chemical fertilizer plants now under construction.

Each of them has a designed annual output capacity of 300,000 tons of synthetic ammonia or 520,000 tons of urea.

Moreover, seven synthetic ammonia plants will be renovated, while efforts will be made to expand the country's production of phosphate and potash fertilizers.

In addition to raising the country's ethylene production from the present 2.2 million tons to about 4 million tons by the year 2000, the country will arrange construction of 10 deep-processing petrochemical projects, Lu said.

Tyre, paint dye and fine-chemicals industries will also have lots of opportunities for foreign investment and technical co-operation, he added.

#### **Zou Jiahua Congratulates Establishment of Chemicals Group**

OW2009141194 Beijing XINHUA in English 1324  
GMT 20 Sep 94

[Text] Beijing, September 20 (XINHUA)—The China Haohua Chemicals Group was established here today by six major chemical manufacturers and construction companies, in a move to break into the global market.

In a congratulatory letter to the group, Vice-Premier Zou Jiahua expressed the belief that the establishment of the new group will help China's chemical industry open wider to the outside world, adopt internationally-accepted operational standards, modernize its management and turn out a comprehensive range of products.

He said, "I hope that the China Haohua Chemicals Group will become a first-rate transnational company at an early date."

The founders of the new group include the China National Chemical Engineering Corporation, the China National Chemical Construction Corporation, the China National Chemical Equipment Corporation and the China National New Chemical Materials Corporation.

#### **Electronics Industry Maintains 'Rapid Development'**

OW1609191394 Beijing XINHUA in English 1349  
GMT 16 Sep 94

[Text] Beijing, September 16 (XINHUA)—China's electronics industry has maintained a rapid development momentum this year. From January to August it recorded an output value of 112.11 billion yuan, up 31.2 percent from the same period of last year, with a product sales rate of 90 percent.

Through 45 years of effort China's electronics industry has developed from nought to the present new- and high-tech industrial system.

Sources at the Ministry of the Electronics Industry said that since China started to carry out the opening and reform policy 15 years ago, the industry has maintained an annual average increase rate of over 20 percent and has become the country's pillar industry with the fastest development speed.

At present China has more than 9,000 electronics enterprises of all kinds, with total fixed assets of 113.4 billion yuan, and employing more than two million people. In 1993 the total output value of the industry hit 175 billion yuan, compared with only 28.6 billion yuan in 1985.

The sources said that, so far, the major categories of radar, telecommunications, computers, radio and television, and basic electronic products have taken shape in the industry, whose products range from components and parts to whole sets of equipment.

In 1993 alone, China produced 26.39 million TV sets, 1.07 million video-recorders, 5.77 million lines of program-controlled telephone exchanges and 170 million large-scale integrated circuits. At present, the output of black and white TV sets, radio and tape-recorders all rank first in the world, while the output of color TV sets ranks third.

The production and application of computers have also developed fairly rapidly in China. In 1993 over 133,000 micro-computers were produced, and so far the country has installed 12,000 large, medium-sized and small computers, over one million microcomputers and more than 500,000 word processors. Computer systems have been adopted by more than 20 industries, including banking, the railways, civil aviation, construction materials, metallurgy, commerce and tourism.

The electronics industry is also one of China's major exporters. Customs statistics show that in 1993 the export value of electronic products reached 8.11 billion U.S. dollars, and it is predicted to reach 25 billion U.S.

dollars by the year 2000. By the end of 1993 more than 5,000 electronics enterprises had introduced foreign funds worth 4.16 billion U.S. dollars.

Electronics research institutes now number more than 200, employing more than 5,000 professional technicians. The industry also has 26 state-level key development and survey centers, and five key state-level laboratories.

In recent years the industry has produced a large amount of electronic products of internationally advanced levels, providing high-quality electronics equipment for the Gezhouba Hydropower Station, Daya Bay Nuclear Power Station, carrier rockets, inter-continental ballistic missiles, experimental satellites and a number of other key state projects.

In addition, the industry has also worked on many high-tech research findings, including the global positioning system, a Chinese-language information processing system, long-distance radio navigation system, super-large integrated circuit cad system and digital security automatic telephone network.

To meet the demands of the 21st century and cater to the demands of the national economic information development, the ministry is constructing, together with other related departments, a national public information network connecting more than 400 cities and over 1,000 large enterprises, as well as spreading electronic credit cards among the 300 million urban citizens and building a special information network for foreign trade. The ministry aims to get fully connected with the world's information network by the end of this century.

#### Customs Releases Jan-Aug Export, Import Figures

OW1909025494 Beijing XINHUA Domestic Service in Chinese 1303 GMT 12 Sep 94

[Text] Beijing, 12 Sep (XINHUA)—According to the statistics released by the Customs Administration, China's total volume of exports and imports from January to August reached \$137.8 billion, up 24.6 percent over the same period last year. Of these, exports accounted for \$68.95 billion, up 31.5 percent; and imports accounted for \$68.85 billion, up 18.3 percent. The trade surplus amounted to \$100 million. It is the first time that China has attained a trade surplus in the January-August period.

According to analyses, because China merged its two currency rates, the cost of Chinese exports computed in U.S. dollars decreased, the competitiveness of exported Chinese products was significantly enhanced, and the volume of regular exports increased monthly. From January to August, the volume of regular exports reached \$35.86 billion, up 45.2 percent. Its percentage in the total volume of exports grew from last year's 47.1 percent to 52 percent. The volume of regular imports totaled \$21.25 billion, down 1 percent from the same

period last year. Its percentage in the total volume of imports dropped from last year's 36.7 percent to 30.9 percent.

Japan, Hong Kong, the United States, the European Community, South Korea, ASEAN, Russia, and Taiwan are China's eight largest trade partners and the growth rate of total foreign trade volume with these areas increased from last year's 85 percent to 86.2 percent.

What is worth mentioning is that the total volume of exports and imports of foreign-funded enterprises reached \$50.14 billion, up 38.8 percent and surpassing the national average growth rate. Its percentage in China's total volume of exports and imports increased from last year's 32.7 percent to 36.4 percent. Of these, exports accounted for \$19.13 billion, up 40.1 percent; and imports accounted for \$31.01 billion, up 38 percent. The net increase of \$8.53 billion in imports of foreign-funded enterprises accounted for 79.6 percent of the total net increase in total imports.

After the unified currency rate system was implemented this year, being influenced by elastic export prices, the growth rate of exported industrial products was much higher than that of the exported primary products. The volume of exported industrial products reached \$57.4 billion, up 35 percent. Its percentage in the total volume of exports increased from last year's 81.1 percent to 83.2 percent. Most of the exported industrial products were garments, textile, shoes, toys, and plastic products. The growth of imported industrial products dropped. From January to August this year, China imported industrial products worth \$59.99 billion, an increase of 18.2 percent. If the value of products imported by foreign investors is deducted, the imports of industrial products was only \$47.51 billion, an increase of 13 percent.

#### Customs Official Reports Increased Revenues From Tariffs

HK2109042394 Beijing ZHONGGUO XINWEN SHE in Chinese 0833 GMT 29 Aug 94

[By Tian Jiapeng (3944 1367 7720)]

[Text] Fuzhou, 29 Aug (ZHONGGUO XINWEN SHE)—This reporter has learned from a national customs and tariff work meeting here today that from January to July this year, China's tariff revenue amounted to 16.41 billion yuan, an increase of 7 percent over the same period last year, and value-added tax and consumption tax collected by customs departments for other government departments totaled 19.45 billion yuan, an increase of 81 percent over the same period of last year.

Wu Jiahuang, director of the Customs Duty Department of the General Administration of Customs, said at today's meeting that China had registered sustained growth in tariff revenue in recent years. Last year, China's tariff revenue and taxes collected by customs departments for other government departments totaled



44.778 billion yuan, a record high. In the first 10 months of this year, the growth rates of tariff revenue and taxes collected by customs departments for other government departments were far higher than that of the country's financial revenue.

However, Wu Jiahuang also mentioned difficulties and problems in China's tariff revenue collection and management, adding that the situation was grim in this respect. As learned, China's tariff revenue for this year was planned to be 33 billion yuan, but the fulfillment of only half of this has already taken seven months. The reasons are as follows: First, dutiable foreign trade declined. In the first half of this year, imports amounted to \$49.2 billion, but dutiable imports declined by 13.7 percent compared with the same period last year. Second, a retail sales tax rate and a provisional tax rate were introduced. Because the customs administration has lowered import commodity tax rates for several times and imposed provisional tax rates and retail sales tax rates on cotton, cooking oil, sugar, production materials, and key automobile parts, it is estimated that China's tariff revenue will fall by 7.37 billion yuan this year. Third, the mix of import commodities has changed, with a decrease in highly dutiable commodities. Statistics show that in the first half of this year, cigarette imports dropped by 96.2 percent compared with the same period of last year, and sedan imports through barter trade also declined by 72 percent, both affecting tariff revenue. Fourth, tax arrears have increased. In the first half of this year, arrears on tax payments increased by 487 million yuan. Fifth, tax evasion is serious. At present, tax evasion by means of filing false prices, false commodity names, false commodity sizes, false commodity quantities, false commodity origins, or by diverting tariffs, smuggling, and speculating in special economic zones' duty-free or duty-reduced commodities or in materials and parts processed for domestic marketing are very serious.

Wu Jiahuang added that there are also factors causing tariff revenue increases, such as the good operation of the country's economy, the strong demand for imports, and adequate foreign exchange reserves. The customs administration will introduce measures to strengthen collection of tariff revenue to ensure such revenue.

#### **Radio Begins Statistical Series on 'Great Changes'**

OW1909143294 Beijing Central People's Radio Network in Mandarin 2230 GMT 11 Sep 94

[First in a series of reports: "Figures and Great Changes"; from the "News and Press Review" program]

[Text] Dear listeners: Forty-five years have passed since the founding of our great socialist motherland. While the great changes constantly occurring on the vast land have brought one after another delightful surprises to history, achievements scored in the great practice of reform and opening up have built one after another monument on

the road of China's development. On the eve of the National Day, the State Statistical Bureau provided the Central Radio Station with a set of figures reflecting the strides of the great motherland's advance. Beginning from today, the station will air a special column, "Figures and Great Changes," as a gift to listeners nationwide. Today's title is "The Overall National Strength Has Been Built Up Conspicuously."

The overall national strength is the combination of a country's political, economic, military, diplomatic, science and technology, and educational strength; and it reflects the degree of the country's strength and weakness, as well as the influence it yields and its position in international affairs. After 45 years of hard work, China has developed from an impoverished backward nation to a political and military power with rapidly growing economic strength. In 1993, the gross national product reached 3,138 billion yuan, increasing by nearly 17 times over 1952 and approaching the 10 top countries in the world; the state gold reserves stood at 12.67 million ounces while foreign exchange amounted to \$21 billion; the state financial revenue increased by 78 times over that in the early years of the PRC. The living standards were improved markedly and heading toward a comparatively well-off state.

#### **First National Exhibition of Computerized Accounting Opens**

OW2109084994 Beijing XINHUA in English 0728 GMT 21 Sep 94

[Text] Beijing, September 21 (XINHUA)—The first national exhibition of computerized achievements in the field of accounting opened here today.

During the five-day exhibition, which was jointly sponsored by the Ministry of Finance, the China Association for Science and Technology and the China Society of Accountants, progress and achievements made in the aspect of computerized accounting will be displayed, apart from a symposium and a technical forum to be held in this regard.

The Ministry of Finance has decided to make 40 to 60 percent of China's large and medium-sized enterprises, institutions and government departments above the county level use computers by the year 2000 in doing financial affairs, which have been done traditionally by abacuses in China.

At present, computers are used only in 20 percent of the enterprises, institutions and government departments across the country and the rest are still keeping to manual operations of abacuses.

Experts here believe that the accelerated computerization of accounting work is needed and constitutes an important link in the improvement of macro economic management.



**Nation Becomes World's Biggest Timepiece Producer**

OW2109065294 Beijing XINHUA in English 0634  
GMT 21 Sep 94

[Text] Beijing, September 21 (XINHUA)—China now boasts the world biggest timepiece assemble industry, but still lacks behind in developing high-grade and famous-brand products, according to the on-going 94' International Timepiece Fair.

Statistics have shown that China's exports account for 67 percent of the world total, but mostly of low grade, reported by today's ECONOMIC INFORMATION DAILY.

The fair has shown that the world's timepiece industry is tending to be more high-tech, luxurious and artistic.

The fair, jointly sponsored by the China Horology Association and a Hong Kong firm, is scheduled to close today.

**China's Largest Blast Furnace Operational in Shanghai**

OW2009031994 Beijing XINHUA in English 0301  
GMT 20 Sep 94

[Text] Shanghai, September 20 (XINHUA)—The No. 3 Blast Furnace, the first major project in the third-phase construction of the Baoshan Iron and Steel Corporation, went into operation here today.

It is the largest and most modernized furnace in China, indicating that China's designing, equipment, manufacturing and installation of large-scale furnaces has reached advanced international level.

Company officials said world advanced automation softwares are used in the furnace.

The furnace, designed and installed by Chinese engineers, has a capacity of 4,350 cubic meters and an annual production capacity of 3.25 million tons of iron.

Its construction started on January 1, 1991. It has a designed life span of 12 to 15 years.

The operation of the furnace will push the iron production capacity of Baoshan Iron and Steel Plant up to 9.75 million tons, laying a solid base for the corporation's plan to have an annual steel production capacity of 11 million tons by the end of 1997.

**Feature Views Daily Consumption in China**

OW2109075194 Beijing XINHUA in English 0711  
GMT 21 Sep 94

[By XINHUA correspondents Xue Jianhua and Hu Chuangwei: "A Day in China—Figures and Hope"]

[Text] Beijing, September 21 (XINHUA)—The latest report on China's economic operation shows the following shocking figures.

In a day, the Chinese people consume about 60 million kilograms of pork, more than 10 million kilograms of edible oil and 750 million kilograms of grain.

Such a huge "appetite" may make every statesman headache. On the other hand, it indicates that China's grain and edible oil market has been stable for years.

Many foreign economists regard China as the largest market in the world.

A survey shows that the Chinese purchase 60,000 television sets, 120,000 wrist watches and more than two million meters long silks and satins in a day, which sees the installation of more than 10,000 telephones.

The Chinese spend over three billion yuan on consumer goods a day while depositing 880 million yuan in banks.

Residential buildings with a combined floor space of 730,000 square meters are being erected in urban areas each day and farmers are building and expanding their houses by a total floor space of 1.56 million square meters.

China's transport means carry 18 million passengers per day while its postal departments handle over 15 million mails and distribute more than 50 million newspapers.

The on-going national reform and opening further to the outside world have brought about great changes to the country.

China is absorbing foreign investment totalling 100 million U.S. dollars daily, and the amount of foreign investment has climbed to 240 billion U.S. dollars over the past 15 years.

At present, the daily output of China's key industrial products has exceeded the yearly output of the same products 45 years ago.

One example is the daily steel output of 240,000 tons, 1.5 times that of the annual figure in 1949, and the daily oil output of 400,000 tons, more than three times that of the 1949 figure.

The five-day gross national product (GNP) at present is equal to the annual GNP in 1949.

China is the most populous country in the world with a population of 1.17 billion.

About 60,000 babies come to the world everyday, adding 16 million to the national population a year.

Last year saw the country generate gross domestic product (GDP) of 8.6 billion yuan per day ranking among the biggest in the world, according to the International Monetary Fund (IMF).

However, counting on the basis of per capita average, China still belongs to a backward developing country.

So far, China is facing with hope and difficulties. [sentence as received] It still has 80 million people living under the poverty line, and the central government has pledged to help the poor to jump out of the poverty within seven years.

United Nations experts in population have regarded "China's present state" as the "wonder among the wonders," because China, of which cultivated areas account for only seven percent of the world's total, has fed 22 percent of the world's population.

### Provinces Introduce Card for Checking Peasants' Burden

OW1909015494 Beijing XINHUA Domestic Service in Chinese 0731 GMT 12 Sep 94

[By reporter Wang Yanbin (3769 6066 1755) and correspondent Li Xiangang (2621 7359 0474)]

[Text] Beijing, 12 Sep (XINHUA)—Since the beginning of the year, nine provinces and autonomous regions have implemented a card system for controlling peasants' burden [nong min fu dan jian du ka zhi du 6593 3046 6298 2137 4148 4206 0595 0455 1653], with another dozen or so provinces also implementing this system in some of their counties and cities. Put in the peasants' hands, the control card serves as an "imperial sword" [an ancient symbol of high authority investing the bearer with discretionary powers] for them. They can now refuse unlawful burdens with perfect assurances while enthusiastically shouldering lawful ones.

Provinces [and autonomous regions] that have widely implemented the card system for controlling peasants' burden are Shanxi, Inner Mongolia, Heilongjiang, Henan, Hubei, Hunan, Gansu, Ningxia, and Xinjiang. It has been learned that these provinces and autonomous regions distributed the peasants' burden control card to farming households at the beginning of the year.

The key content of the card system for controlling peasants' burden is: Village and town operation and administration stations fill out a control card to be issued to each farming household, stating itemized obligations such as the portions of annual village retention fund, township overall expenses, labor investment, and obligatory labor to be shouldered by each household in accordance with an examined and approved budgetary plan; then each household would pay fees and provide labor according to that card. No unit or individual must collect from the peasants any other fees, other than taxes, that are not listed on the card. Therefore, this system gives the peasants early knowledge of what their overall burden for the coming year is going to be.

Practice at different places proved that the implementation of this system is conducive to strengthening the

peasants' sense of obligation, while increasing the transparency of peasants' burden to facilitate supervision by the masses and conscious resistance of unwarranted burden by the peasants. When paying for village retention fund and township overall expenses in the past, it was a common practice for peasants to pay whatever amounts the town and village cadres demanded from them without even knowing clearly what the items were. After the implementation of the control card system, there have been clear itemization of retention funds, account settlement for fees collected and paid, and supervision of income and expenditure by auditing; everything is clear at a glance by the masses. Moreover, the implementation of this system also facilitate the rationalization of the peasants' burden administration system. In the past, there was chaotic collection, management, and utilization of payments from the peasants; since the burden control card system's implementation, various reasonable burdens on the peasants have been written directly on the card so that rural operation and administration departments at various levels can examine and verify, retain funds, collect fees, and settle accounts. This makes it possible for peasants' burden supervision and management departments to conveniently carry out their work and then proceed to build a new, orderly management mechanism.

### Shandong Takes Lead in Government Home-Building Scheme

OW2109065494 Beijing XINHUA in English 0624 GMT 21 Sep 94

[Text] Weihai, September 21 (XINHUA)—Weihai city, Shandong Province, is taking the lead in building a pilot residential area for well-off families.

Located in its economic and technology development zone, the area will cover 23 hectares and have residential buildings with a combined floor space of 250,000 square meters. With an investment of 400 million yuan, the project is scheduled for completion in three years.

This is one of the 60 pilot areas to be built in different areas as a model for local building departments and organizations.

They will be built under the instruction of the State Science and Technology Commission and the Ministry of Construction, which are seeking ways to build apartments with better quality and design and reasonable prices for the majority of families in the country by the end of this century.

### Beihai Opens New Sea Route to Southeast Asia

OW2109085794 Beijing XINHUA in English 0836 GMT 21 Sep 94

[Text] Nanning, September 21 (XINHUA)—Beihai, a port city in south China's Guangxi Zhuang Autonomous Region, has opened a new marine route to Hong Kong and Southeast Asian countries.

The "Haitai International Shipping Corporation of Beihai," which was announced to be founded jointly by a company under the Ministry of Communications and the Haitai Property and Investment Corporation of Beihai in March last year, has been authorized to engage in shipping services on the newly-opened sea route. The Haitai international company started official operation recently.

According to local officials, the opening of the new sea route is aimed at facilitating overseas businessmen and tourists from Hong Kong and foreign countries who come to spend holidays at the Yintan state tourism and holiday resort of Beihai city or to go on business trips to the city.

A luxury ocean liner, with 198 guest rooms and believed to be one of the largest of its kind in Asia, will be used to carry passengers to and from the newly-opened sea route.

#### **Statistics Show People Enjoy Improved Education**

OW2109073294 Beijing XINHUA in English 0642  
GMT 21 Sep 94

[Text] Beijing, September 21 (XINHUA)—With the improvement in their living standards, the Chinese people are now able to enjoy better education, according to today's XINHUA DAILY TELEGRAPH.

A chart in the paper shows that the number of teachers in the country increased from 1.591 million in 1952 to 8.713 million in 1978, and again to 9.346 million in 1993.

The number of students at school increased from 54.417 million in 1952 to 213.468 million in 1978, and dropped to 176.953 in 1993 due to a decrease in the number of school-age children.

The number of university graduates increased from 32,000 in 1952 to 165,000 in 1978, and again to 571,000 in 1993.

The admission rate of school-age children increased from 49.2 percent in 1952 to 95.5 percent in 1978, and to 97.7 percent in 1993.

The number of college students among every 100,000 Chinese residents increased from 3.3 in 1952 to 8.9 in 1978, and to 21.4 in 1993.

All the figures are provided by the State Statistics Bureau.

#### **Earthquake Affects Guangdong, Fujian Provinces**

OW1709092094 Beijing XINHUA in English 0854  
GMT 17 Sep 94

[Text] Beijing, September 17 (XINHUA)—At least one person was killed and hundreds injured in Fujian and

Guangdong provinces which were affected by an earthquake of 7.3 magnitude on the Richter scale which hit the Taiwan Strait at 14:20 Friday [16 September].

Shantou, Chaozhou and Jieyang cities in Guangdong, and Zhangzhou and Xiamen cities in Fujian reported damages of varying extent.

Dongshan County in Fujian, which is nearer to the epicenter, saw tiles falling from houses and the collapse of aged houses.

The victims in raoping county in Guangdong, one died and 202 injured, were students in three local primary schools. The casualties were caused by a stampede.

132 persons were injured in a stampede in Chaoan County, Guangdong. 15 houses were damaged in Shantou City, Guangdong, leaving 68 persons injured. Walls of a primary school in Jiedong County, Guangdong, came off, injuring scores of pupils.

Specialists from the State Seismological Bureau say that there still might be earthquakes of five-six magnitude on the Richter scale in the near future but they will have no big influence on the coastal areas.

The authorities of the two provinces have sent out officials to the affected areas to help the local people.

#### **State Council Circular on Autumn, Winter Farming**

OW1909013894 Beijing XINHUA Domestic Service in Chinese 1057 GMT 5 Sep 94

[Text] Beijing, 5 Sep (XINHUA)—The State Council General Office recently issued a circular urging localities to step up agricultural production this autumn and winter and to strive for good harvests at the end of this year.

The State Council General Office circular said: In the first half of this year, with efforts from governments at all levels, agricultural scientists and technicians, cadres in charge of agricultural production, and the masses of farmers, we scored some achievements in agricultural production. Although the acreage of summer grain was reduced this year, we reaped a good harvest; the acreage of cotton increased and cotton was growing well; and peasants' incomes increased. However, severe natural disasters in some areas of many provinces and autonomous regions have been very unfavorable to the fulfillment of the national agricultural production targets set early this year. Nevertheless, if we take the overall situation into account and strengthen the management of autumn crops, a bumper harvest nationwide is still possible.

The State Council circular urged localities to pay special attention to autumn grain production, properly channel water to irrigate the fields, apply fertilizer, and prevent insect pests. The south should vigorously use idle cultivated land and farmland that had crop failures before,



and expand as much as possible the acreage of late autumn grain crops or vegetables. Provinces and autonomous regions that are suitable for ratooning rice should make efforts in rice production, strive to expand the amount of ratooning rice acreage, and improve per unit yields to have a good rice harvest. Localities must seize the opportunity to strengthen management of cotton fields, closely supervise the prevention of the fourth generation of cotton bollworms, and reduce the number of over-wintering bollworms. Localities must extensively publicize the cotton policy recently launched by the state and protect and arouse peasant's initiatives in growing cotton.

The circular pointed out: The general goals for this year's autumn and winter farming are: expand acreage, increase per unit area yield, and ensure the steady increase of grain and edible oils. We must accomplish various tasks in time. As soon as possible, we should decide seeded area, prepare soil, prepare various necessary materials, arrange key scientific and technological popularization projects, make plans for winter irrigation construction, launch plans to readjust the agricultural structure, and carry out various measures to increase agricultural production. First, we must readjust the agricultural structure and expand the acreage of high grade wheat and rape. We should put special efforts to develop winter farming in the south—an important task in the autumn and winter farming. We must take effective measures to put an end to idle cultivated land. Second, we must try every possible means to increase investment in farming materials and make preparation as early as possible before planting. We must motivate the masses of peasants to use different methods in producing farming fertilizers, apply enough basic fertilizers, make efforts to reduce the amount of infertile seeds, and improve the quality of sowing. Third, we must actively popularize various technologies to increase production. Technology popularization departments at all levels must do a good job in pre-planting technology training and energetically popularize various practical skills that help increase agricultural production.

The circular urged localities to quicken the pace of repairing irrigation facilities damaged by this summer's floods, and enhance the irrigation construction for this winter and next spring. This year, China suffered severe floods and droughts, and this again reveals that China is infested with such serious problems as weak irrigation infrastructure and poor disaster control ability. Unguarded cities, silted riverbeds, clogged drainage channels, and outdated and poorly maintained irrigation projects worsened this year's disaster condition to some extent. We must conscientiously summarize the lessons we learned from this year's floods and droughts, genuinely include irrigation construction in the field of capital industries, raise funds through various ways, and invest more in irrigation projects. We must make early plans for irrigation construction this winter and next spring and regard motivating the masses to work on the

capital construction of farming irrigation as an important task in rural areas. Areas suffering from serious floods must repair irrigation facilities damaged by floods and fix outdated and poorly maintained irrigation projects. Moreover, they must attach importance to maintaining anti-drought facilities. Drought-stricken areas must make efforts to seek more funds for flood control and antidrought construction projects.

The circular pointed out: Localities must guide peasants in finding new means of production, actively develop different forms of economic association, and help peasants steadily increase their incomes. Disaster-stricken areas must take action as early as possible to expand production channels and increase production to make up for losses.

The circular urged governments at all levels to regard agricultural production in this autumn and winter as an important economic task. Commerce, power, supply, transportation, railway, and financial departments should jointly support agricultural production and work together to create favorable conditions for agricultural production.

#### **Ministries Promote Fish Farming in Rice Paddies**

*OW2109073394 Beijing XINHUA in English 0651  
GMT 21 Sep 94*

[Text] Shenyang, September 21 (XINHUA)—Chinese farmers have been benefited a lot over the past few years from the project of fish farming in rice paddies, a senior agricultural official said.

According to the official, the total area of fish raising in rice fields was expanded to nearly one million hectares in 1993, a hefty 120 percent rise from the year 1983.

The output of fish produced in rice fields reached 230,000 tons, with an increase of 450,000 tons, up 530 percent and 240 percent over the year 1983.

The project is part of the "Good Harvest Program" under the auspices of the Ministry of Agriculture and Ministry of Finance in a bid to boost the development of China's agriculture, animal husbandry and fisheries.

A few years ago, fish farming in rice fields was only limited to some places in southwest China's Sichuan and Guizhou Province.

Efforts have been made in recent years to spread the technology in more than 20 provinces and regions throughout the country. Even in the northeast Heilongjiang Province, the fish culture area in rice fields this year hit nearly 100,000 hectares, with an estimated fish output of 15,000 tons and an increase in rice of 40,000 tons.

The officials predicted that the farmers' income of the country in 1994 is expected to increase by 3.1 billion yuan only by fish culture in rice fields.

**Program To earmark More Funds for Commodity Grain Bases**

OW1809141594 Beijing XINHUA in English 1314  
GMT 18 Sep 94

[Text] Beijing, September 18 (XINHUA)—China will earmark an annual 6.5 billion yuan of special funds in the coming five years beginning from this year to support 523 counties specializing in commodity grain production and 150 counties growing quality cotton.

The decision was made in line with an agricultural development program during 1990s. According to the program, by the end of this century, the total output of grain of the country will reach 500 billion kg, 30 percent of which are expected to come from the these counties.

In the past decade, the central government had allocated 2.5 billion yuan to strengthen the spreading of agrotechniques, the cultivation and breeding of improved varieties of crops and the upgrading of middle- and low-yield farmland.

According to the ministry of agriculture, last year, the average grain output per hectare in these counties was 4,900 kg, 700 kg higher than the national average, while a local farmer turned out 1,619 kg of grain in the past year, 57 percent higher than the national average. The per capita contribution of grain to the state was 824 kg.

In China, commodity grain production bases have been built with the purpose of stabilizing grain production and guaranteeing supplies of grain for urban residents across the country.

The arable land of these counties only accounts for one-third of the country's total, but they produce two thirds of the country's total volume of commodity grain.

According to the Agriculture Ministry, the counties have the potential of add 53 million tons of grain every year, enough for the five-year consumption of half a million urban residents.

**Cities Encourage Farmers To Set Up Livestock Farms**

OW2109065594 Beijing XINHUA in English 0629  
GMT 21 Sep 94

[Text] Shanghai, September 21 (XINHUA)—Instead of the traditional way of raising domestic animals, major cities have set up large livestock farms on the outskirts to supply non-staple food for urban consumers.

According to a recent national meeting on urban cooperation in animal husbandry here, Beijing's chicken farms are producing an annual of 185,300 tons of eggs, accounting for 61 percent of the city's total, and the amount of pork produced by its pig farms accounts for 60 percent of the city total a year.

Many places are specialized in raising one to two domestic animals in line with their actual natural conditions.

One example is Shanghai, of which Qingpu county is known for breeding ducks, Songjiang county, chickens and Pudong new area, cows.

The animal by-products processing industry is burgeoning alongside the growth of livestock breeding.

Baodi county in Hebei Province has a number of villages specializing in slaughtering animals.

Both Shanghai and Tianjin have combined animal breeding with processing and marketing to better meet the needs of market economy.

### East Region

#### Anhui Official Comments on Anticorruption Struggle

OW1909061994 Hefei ANHUI RIBAO in Chinese  
24 Aug 94 p 5

[Article by Liu Sheng, chief procurator of Anhui Provincial People's Procuratorate: "Market Economy and the Anticorruption Struggle—My Experience of Studying Volume 3 of the *Selected Works of Deng Xiaoping*]

[Excerpts] Volume 3 of the *Selected Works of Deng Xiaoping* contains a series of expositions on establishing a socialist market economic structure and firmly waging an anticorruption struggle. They fully embody Comrade Deng Xiaoping's thought on "building both material and spiritual civilizations and attaching equal importance to both," and they are an important part of the theory on building socialism with Chinese characteristics. To seriously study and comprehend this important thought of Comrade Deng Xiaoping's is of extremely great significance to deepening the on-going anticorruption struggle and to ensuring the establishment and perfection of the socialist market economic structure.

#### Corruption Is Not an Inevitable Result of Market Economy

During the course of deepening the anticorruption struggle, some people have wrongly believed that market economy inevitably breeds corruption, and such corruptions as embezzlement and bribery are the "price" we have to pay to establish the market economy. Such a view is a misunderstanding of the socialist market economy.

First, the socialist market economy is an integration of the market and the basic socialist system. With rapid development of productive forces as its objective, it is characterized by socialist political system and ideology. For instance, Comrade Deng Xiaoping has pointed out: "Guangdong should strive to catch up with the 'four little dragons' in Asia within 20 years. It should not only boost the economy, but should also maintain good public order and good public conduct. It should surpass them in the development of the two civilizations. Only this can be socialism with Chinese characteristics." China's socialist market economic structure is designed to combine the superiority of the socialist system with the superiority of the market economy characterized by reasonable resource allocations. For this reason, corruption is not an inevitable result of the socialist market economy. Besides, since the socialist market economy is subject to the restrictions by the socialist system and to the protection of the socialist legal system, it can prevent serious corruption.

Next, one of the basic market economy principles is fair deal and fair competition in the market. It requires commodity producers and dealers to compete among themselves under equal conditions, so as to ensure

survival of the fittest, correctly lead to reasonable resource allocations, and enhance economic efficiency. Without competition on an equal footing, the market economic structure will not be sound and the market economy will lose its value and life. A conspicuous corruptive phenomenon today is to trade power for money, and it precisely violates the fair competition principle of market economy and obstructs the development of market economy. [passage omitted]

However, the market economy is a commodity economy. While the principle of exchange at equal value in commodity economy encourages people to obtain reasonable rewards by working honestly, it can also motivate some people to go for illegal gains by hook or by crook. For this reason, a market economy can make some people worship money, disregard law and discipline, take chances, and become criminals. This shows that the anticorruption struggle and the establishment of a socialist market economic structure are one thing, not two opposite things. The establishment and perfection of the socialist market economic structure not only objectively require us to combat corruption, they will also create the moral and material conditions for us to curb negative, corruptive phenomena. For this reason, it is wrong to regard corruption as an inevitable result of market economy.

#### The Characteristics of Present Corruptive Phenomena and Their Causes

Under market economy conditions, corrupt phenomena will continue to exist and some new crimes and criminal features will appear. The cases handled by Anhui's procuratorial organs show that the corruptive phenomena are very serious and on a rising trend in this province. In 1993, Anhui procuratorial organs filed for investigation 2,236 cases of economic crimes, such as embezzlement and bribery, 1,300 of them were major cases each involving more than 10,000 yuan, and 26 involved cadres of the county level or the provincial department level. [passage omitted] Those cases of economic crimes show the following characteristics: (1) The criminals are taking advantage of the lack of relevant policies and laws to grab private gains at public expense, embezzle public funds, and lead corrupt lives. (2) Some trades and professions that monopolize the supply of short-supplied goods are abusing their power, ask for and take bribes and seek private gains. (3) Some people are exploiting the loopholes created during the shift from the old to the new structure and are abusing their power to seek illegal gains. (4) Some people are abusing the power of signing capital construction contracts to trade power for bribes. (5) Some judicial and law-enforcement personnel are taking bribes, perverting the law, and practicing favoritism and fraud. (6) The crime of misappropriating public funds is serious. [passage omitted]

#### To Combat Corruption, It Is Necessary To Strengthen the Legal System and Adopt Sound Preventive Measures

At present, the corrupt phenomena have hurt the image of our party and government and impede the healthy



development of the socialist market economic structure and the smooth proceeding of reform and opening up. If we treat the corrupt phenomena lightly and let them remain rampant, they will destroy the great undertaking of reform and opening up and will eventually endanger our party's ruling status. Comrade Xiaoping said earnestly: "In economic construction, we have made considerable achievements and the situation is gratifying. This is a success scored by our country. However, if the public conduct gets worse, would the economic success make any sense? Deterioration may occur in other things and in turn lead to deterioration in the economic field. If the situation goes from bad to worse, there will be a world where corruption, robbery, and bribery are rampant." For this reason, under the new situation in which we are building a socialist market economic structure, we must persistently wage an anticorruption struggle. Under no circumstances should we treat the corrupt phenomena lightly.

We should seriously implement the guidelines of Comrade Xiaoping's instructions and deepen the anticorruption struggle under the market economic structure. To do so, it is important for us to step up the legislative work and build effective preventive mechanisms.

First, we should make greater efforts to combat economic crimes according to law. Comrade Xiaoping has consistently advocated resolute and harsh measures to deal with economic crimes and other corrupt phenomena. He said: "Some serious economic and other criminals should be executed according to law. Generally speaking, we are too soft in this regard. The death sentence is an indispensable means of education. If any state functionary commits an extremely serious economic crime and causes the state the loss of several million yuan or more, why cannot we sentence them to death according to the Criminal Law? In 1952, two people—Liu Qingshan and Zhang Zishan—were executed, and the executions yielded a great impact. Now, the execution of two people will no longer yield the same great impact, and it is necessary to execute more. Only in this way can we show our determination." After the 1989 Beijing political storm, Comrade Xiaoping said: "We should deal with 10 or 20 major cases of corruption, embezzlement, and bribe-taking—some at the provincial level and others at the national level. These cases should be handled resolutely and strictly according to law, and the results of the handling should be made public. Whoever deserves punishment should be punished, no matter who he is."

Second, we should step up the formulation of laws and regulations that meet the needs of the development of socialist market economy. [passage omitted]

Third, great efforts should be made to strengthen supervisory mechanisms. [passage omitted]

Fourth, it is necessary to actively do good preventive work. Comprehensive efforts, including both the efforts to combat and to prevent, should be made to deal with

corrupt phenomena. Of course, their prevention is a complex task involving many fields of society, including the political, economic, and ideological fields. If all fields closely cooperate with each other, the anticorruption struggle will yield good results.

#### Jiangsu Congress Committee Holds Plenum

OW1909045694 Nanjing XINHUA RIBAO in Chinese  
2 Sep 94 p 1

[Report by Shen Chunzhong (3088 4783 0022) and Jin Weixin (6855 0251 2450): "The Ninth Meeting of the Eighth Provincial People's Congress Standing Committee Holds Second Plenary Session"]

[Text] The ninth meeting of the Eighth Jiangsu Provincial People's Congress Standing Committee held its second plenary session on the morning of 1 September.

The session decided to appoint Zheng Silin deputy governor of the Jiangsu Provincial People's Government and approved other appointments and removals.

The meeting heard Executive Vice Governor Ji Yunshi's report on Jiangsu's economic situation; provincial Secretary General Liu Jiao's report on Jiangsu's major reforms; and Supervision Director Wang Zhongqi's report on Jiangsu's efforts in promoting honest government.

In his report, Ji Yunshi said: This year, Jiangsu' economic work had three distinguishing characteristics: First, greater attention was given to achieving unity in thinking. Second, efforts were made to meticulously formulate and organize reforms. Third, efforts were made to seize development opportunities. Through joint efforts of all quarters, the province achieved new success in reform and opening up. Its economic construction continued with a strong momentum, and its principal economic norms were more satisfactorily fulfilled. During the first half of this year, Jiangsu's total economic output value stood at 156.39 billion yuan, up 16.5 percent from the same period of last year. Agricultural production was fairly good. The province's summer grain output declined 4 percent from last year to 11.09 million tonnes, due to a decrease in crop area. Its oil-bearing crops output totaled 8.962 million tonnes, up 7.4 percent. Diversified undertakings grew fairly rapidly, and the outputs of poultry, aquatic products, and fruits all increased by big margins. However, since late April, a large area of the province has suffered from serious drought for an extended period, which gravely affected agricultural production and caused serious damages to a number of localities. Facing this severe drought, the entire province swung into action and made an all-out effort to reduce losses caused by the disaster. Industrial production grew rapidly as a result. Industrial output value produced by administrative units at and above the township level totaled 342.09 billion yuan for the January-July period, an increase of 22.8 percent. State-owned industries rose 9.1 percent. Collective-owned industries

grew 30.1 percent, with township-run industries rising 35.1 percent. Local industries all maintained fairly rapid growth with better economic efficiency. The tertiary industry also developed at an accelerated pace. A situation has basically developed in which tertiary industries are set up in all domains, at different levels, and through many channels. During the first half of this year, Jiangsu's tertiary industries realized 39.226 billion yuan in added values, bringing their proportion in Jiangsu's economy up to 25.08 percent. Our investment structure has also improved. Localities were paying greater attention to strengthening the management of investment in fixed assets, concentrating their resources on basic industries and the construction of key infrastructural facilities, and accelerating technological transformation of existing enterprises. The great majority of key construction projects proceeded fairly smoothly. Major reforms in finance, taxation, banking, foreign exchange, foreign trade, investment, price, and circulation systems, as well as experiments conducted in selected points to establish modern enterprise systems also proceeded successfully. New progress was made in foreign trade, investment, and economic relations. The province's import and export volume for the January-July period totaled \$6.013 billion, up 42 percent. A total of \$1.846 billion of foreign capital was used, an increase of 47 percent over the same period of last year.

Ji Yunshi said: There are still some prominent contradictions and problems in our economic life today: primarily, the market is flat, commodity prices keep rising, the agricultural foundation is still quite weak, and state-owned enterprises' losses are still quite serious. Leaders at various level take these problems seriously and are working vigorously to adopt measures to resolve them. Speaking of work in the next few months, Ji Yunshi said: Generally speaking, Jiangsu's economy is still in the process of rapid development. We must earnestly seize this development momentum, make full use of the favorable conditions, and work hard to overcome unfavorable factors and fulfill this year's economic and social development tasks in an all-round way. We must vigorously explore new markets and strive to enhance economic competitiveness of our industries. We must carry out agricultural production in a down-to-earth manner by focusing on increasing grain and cotton output and raising peasants' income. We must continue to accelerate the development of tertiary industries and improve the provincial economy's overall quality. We must maintain a reasonable investment size to ensure sustained economic development. We must further deepen reform and earnestly increase enterprise vitality. We must step up our efforts to earn foreign exchange through increased export and develop an open economy more rapidly and successfully. We must continue to control commodity prices to prevent them from rising too fast and earnestly strengthen price regulation, control, and management. No price adjustment measures will be taken in the

second half of this year. Instead, vigorous efforts will be made to rectify price order by strengthening price supervision and inspection.

In his report, Liu Jian said: Major reforms in finance, taxation, banking, foreign exchange, foreign trade, investment, price, and circulation systems, as well as experiments in selected points to establish modern enterprise systems were announced by the state at the beginning of this year. In accordance with the state's unified planning and in light of Jiangsu's actual conditions, the province has worked vigorously to implement these reforms. Thanks to the joint efforts of all, we have basically achieved a smooth transition. Currently, the reforms are proceeding smoothly in general. For a certain period of time to come, the focus of reform will continue to be in improving macroeconomic regulation and control. The emphasis of reform will be shifted to enterprise reform. Further steps will be taken to carry out the work of providing comprehensive auxiliary reform measures, earnestly implement them, and bring about the transition in light of Jiangsu's reality. Attention will be paid to pushing forward reforms comprehensively and accelerating the pace of various auxiliary reforms. Efforts will be made to strengthen the building of the legal system to earnestly guarantee the smooth progress of various reforms.

In his report, Wang Zhongqi said: Since the beginning of this year, under unified leadership of the provincial party committee and government, various localities and departments have attached great importance to the anti-corruption struggle and have generally stepped up efforts to combat corruption, despite their extremely arduous economic work at the moment. Leading cadres have a higher sense of honesty and diligence in performing official duties. In addition, rules and regulations for promoting clean government have been enacted and perfected. During the first half of this year, five cadres at the city and department levels and 62 cadres at the county (bureau) levels were investigated and disciplined for irregularities, and some 34.20 million yuan of economic losses were recovered for the state. New progress was also made in conducting special projects—such as stopping people from taking trips out of the province or country for sightseeing at public expenses, banning unauthorized collection of fees, and prohibiting party and government organs from setting up enterprises and running businesses—and in rectifying unhealthy practices. He said: Provincewide, the struggle against corruption still has some problems. The main problems are: Development in work is still uneven; some major, important cases are not promptly exposed, investigated, and dealt with; major and important cases keep emerging; laws and discipline are not respected or strictly implemented; cases are handled too leniently and in a soft-handed way; and unhealthy practices keep recurring from time to time. In the second half of this year, we must adopt additional measures, face problems squarely, further intensify our efforts in combating three types of corruption, and strive to achieve interim results.



We must also earnestly strengthen education and rules and regulations in building a clean government to overcome and eliminate corruption from the roots.

Wu Xijun, vice chairman of the provincial people's congress standing committee, presided over the session.

Chairman Shen Daren and Vice Chairmen Gao Dezheng, Zhang Yaohua, Ling Qihong, Wang Minsheng, and Qu Qinyue attended the session.

### **Shandong To Execute Prisoners for Economic Crimes**

*SK2109023094 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 20 Sep 94*

[Text] On 20 September, the provincial higher people's court held a news conference to report that the courts across the province dealt blows to economic criminal activities and punished the offenders who seriously jeopardized social order and also to make public a number of major and appalling cases.

Since the beginning of August of this year, the courts at various levels across the province have deeply waged a struggle against corruption and have strictly attacked, according to the law, serious economic criminal activities. As of the end of last August, the courts across the province examined and concluded 3,889 economic cases of various categories, punished 6,597 criminals, and retrieved more than 110 million yuan of economic losses for the state and the collectives. To safeguard social order, the courts at various levels across the province have strictly attacked criminal offenders who have persistently jeopardized social order in line with the principle of strict and rapid punishment according to the law. In the first eight months of this year, the courts at various levels across the province examined and concluded 14,239 criminal activities through first rulings and punished 22,202 criminal offenders according to the law.

From May 1986 to November 1989, taking advantage of his post to gang up with (Liu Shutang) and (Liu Qingguo); (Hu Shuning), former accountant of Linyi city branch of the Agricultural Bank of China, successively converted 5.47 million yuan of public funds to other uses. Some 730,000 yuan have not been withdrawn yet. Besides, (Hu Shuning) also directly embezzled 24,000 yuan. (Hu Shuning) was sentenced to death. (Liu Shutang) and (Liu Qingguo) were sentenced to death but received a stay of execution with sentences of life imprisonment.

From July to December 1993, carrying [words indistinct] and daggers, (Guan Yiping), a student at a vocational secondary specialized school in Tancheng County, successively ganged up with (Chen Zhaolian), (Liu Kanghui), and (Chen Yunpeng) to commit dozens of criminal cases by sneaking into houses with their faces covered. They seized more than 20,000 yuan of goods and money by force. In the course of robbery, they beat

38 persons and raped nine women. These four criminals were sentenced to death according to the law.

(Shi Huaichang), an official of the provincial higher people's court, stressed: From now on, the courts at various levels across the province should continuously and unshakably implement the principle of strictly attacking criminals; strictly punish according to the law the criminals guilty of the most heinous crimes; not be soft on them; and fully utilize laws to promote deep, constant, and effective progress of the special struggle for opposing corruption and rectifying and straightening out social order.

### **Shandong Punishes Former Mayor for Corruption**

*SK2109023594 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 20 Sep 94*

[Text] Recently, (Yang Yongxin), former mayor of Binzhou city and former deputy secretary of the city party committee, was sentenced to eight years imprisonment for accepting bribes.

From January 1990 to September 1993, (Yang Yongxin), taking advantage of his posts, asked for and accepted bribes on 16 occasions. The cash, video recorders, [words indistinct], and refrigerators, which he accepted as bribes, amounted to 44,048 yuan. He was found guilty of accepting bribes for the seriousness of his case, which involved a large sum of money.

Through a first ruling, the Binzhou city people's court sentenced him to eight years imprisonment and confiscated all the money and goods that he accepted as bribes and delivered them to the state treasury.

(Yang Yongxin) was not convinced of the first-ruling judgment and appealed to the higher court. Through a first ruling, the Binzhou Prefectural Intermediate Court decided to withdraw the appeal and keep the original judgment.

## **Central-South Region**

### **Guangdong's Trade With Hong Kong, Macao Noted**

*OW1709190594 Beijing XINHUA in English 1337 GMT 17 Sep 94*

[Text] Guangzhou, September 17 (XINHUA)—South China's Guangdong Province, whose import and export value accounts for one third of the country's total, has done trade worth 70 billion U.S. dollars with Hong Kong and Macao over the past 15 years.

The figure takes up more than 90 percent of the local total foreign trade value, which has increased by 48 times since the province pioneered the opening policy and market economy system.

Neighboring Hong Kong and Macao, Guangdong, which has long provided those territories with large amounts of



fresh water, exported to them 400,000 tons of vegetables, 130,000 tons of aquatic products and 100,000 tons of sugar last year.

Meanwhile, it imported 473 million kwh of electric power from Hong Kong to ease the local power shortage.

In 1993 the province, which received 60 million Hong Kong and Macao tourists, also received 480 million U.S. dollars-worth of donations from Hong Kong and Macao, which included steel, fertilizers and medical instruments.

The booming trade with Hong Kong and Macao has promoted Guangdong's export-oriented economy.

Statistics show that the province now has more than 47,000 foreign-funded enterprises, which accounted for 40 percent of the local foreign trade value last year.

Imports of overseas equipment and techniques also helped Guangdong to improve the quality of local products.

Last year the province exported some 260 kinds of new and high-tech products, whose value accounted for 12 percent of that of local exports.

The exported items included 49 types of products each with an export value of at least ten million U.S. dollars, such as computers and audio and video equipment.

#### **Guangdong Faces Change in Foreign Capital Uses**

HK2109083494 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1325 GMT 21 Aug 94

["Roundup" by Zhang Zhuanxi (1728 0278 3556): "Guangdong's Foreign Capital Policies Face Readjustment"]

[Text] Guangzhou, 21 Aug (ZHONGGUO XINWEN SHE)—A conference attended by all Guangdong's city mayors ended on Friday [19 August] here with a revelation by Vice Provincial Governor Lu Ruihua, who is in charge of economic matters, that Guangdong is working on a "citizen treatment" policy to replace the "tax reduction and profit concession" incentive for foreign-invested enterprises. On Lu's instruction, studies on such a policy change have been stepped up.

"Tax reduction and profit concession" has been a popular preferential policy among localities to lure foreign investment. Economic analysts have pointed out that while there is no reason to believe that such "studies" made by Guangdong would lead it to abolish long-standing preferential policies, significant changes to these policies are almost inevitable.

Concerned personnel say that they are not clear what "citizen treatment" means and cannot provide any prognoses on such a policy change, though it is reasonable to believe that the planned policy move has everything to do with the province's policy of establishing a market system. The leading objective is to build an economic

environment in which state-owned, foreign-invested, and individual enterprises can compete in a fair, rational, and equitable manner and allow the market to play a genuine role.

The implementation of such a plan will lead to a new appraisal of those "tax reduction and profit concession" policies which have been pursued at the expense of the Chinese party.

As nationally Guangdong occupies a central position in the utilization of foreign capital, with \$34 billion or so in foreign capital already invested in the province and some 48,000 foreign-invested enterprises, the implementation of the plan is expected to have a wide-ranging effect.

In fact, Guangdong still faces a great deal of other policy changes on the problem of foreign capital utilization. Whether or not this policy change proves timely and capable of achieving the desired results will determine to a significant degree the province's ambitious future construction program.

Lu Ruihua also pointed out that Guangdong will continue to expand its foreign capital utilization program, but stressed that such expansion will consider the fund mix, quality, amount, and rate of the expansion program with equal importance.

Experts forecast that Guangdong needs to attract \$10 billion in foreign investment each year in order to achieve its modernization program in 20 years. On previous experience, 70 percent of the committed foreign capital must be invested in fixed assets, and the economic generative power of such an injection is inestimable. In recent years, Guangdong has spent \$2.9 billion completing a number of infrastructure projects of enormous long-term impact. However, securing \$10 billion foreign capital each year is a very difficult task.

The difficulty is translated as the following two problems: One, over 70 percent of Guangdong's foreign capital comes from Hong Kong. A single source of foreign capital is an advantage as well as a disadvantage. It limits Guangdong's chance to tap into foreign capital markets; moreover, the province is not confident that it can attract \$7 to 8 billion funds each year from Hong Kong. Two, Guangdong is facing the task of optimizing its foreign investment mix, which requires it to reduce foreign investment as much as possible in property and real estate, repetitive import projects for development zones and consumer goods imports, and to improve the efficiency of utilizing foreign capital.

The two problems call for an urgent strategic adjustments.

Lu Ruihua also suggested strengthening management in foreign-invested enterprises. Guangdong has been talking about doing this almost every year, though this year it seems the situation has become more pressing.

Some 40,000 foreign-invested enterprises are a key presence in Guangdong's economic development. By last year, foreign-invested enterprises accounted for close to 40 percent of the province's total import and export volume. The quality of management of foreign-invested enterprises impacts directly on the economy of the entire province.

### **Shenzhen Security Foil Trade in Protected Species**

HK1909052194 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1310 GMT 23 Aug 94

[By Xue Donghe (5641 2639 0735)]

[Text] Shenzhen, 23 Aug (ZHONGGUO XINWEN SHE)—According to departments concerned, a few days ago, the public security organs in Shenzhen City cracked a large case of trafficking in protected wildlife and saved 52 live pangolins and 12 giant lizards.

It is alleged that when personnel from the Comprehensive Management Office of Baoan District No. 36 were patrolling around 0600 yesterday morning, they found large gunnysacks of suspicious appearance being unloaded from a bus, hence they stepped forward to investigate. Then they discovered 11 gunnysacks and two iron cages stuffed with pangolins and giant lizards, which are protected by the state. The patrol immediately detained the driver and the bus. At around 0900, personnel from the Shenzhen Baoan District's forestry police substation, who had rushed to the scene after hearing the news, completed a preliminary investigation and found that the driver, surnamed Huang, worked for a car fleet in Maoming City. According to his confession, the bus started from Maoming at around 1400 the day before yesterday, and he was told by the owner to drive the bus temporarily. He did not know that protected wildlife was being carried on the bus, but what he did know was to unload the goods at a designated place once he had driven to Shenzhen.

Relevant personnel discovered that due to the long journey, three of the pangolins had died en route, and another new-born pangolin, which looked very pitiful, was also on the verge of death. Personnel from the Shenzhen Baoan District's forestry police substation immediately called in a vehicle to deliver these animals to the Shenzhen City Wildlife Zoo.

This case is now under further investigation.

### **Zhengzhou's Foreign-Funded Firms Increase Exports**

OW1809153694 Beijing XINHUA in English 1435  
GMT 18 Sep 94

[Text] Zhengzhou, September 18 (XINHUA)—Foreign-funded enterprises in Zhengzhou, capital of central China's Henan Province, made an export volume of 20.7 million U.S. dollars in the first eight months of this year, 6.4 times more than the same period of last year.

The city with convenient transport facilities of railway and highway has made efforts to help foreign-funded enterprises expand world market.

The city government has set up an export data base for the 705 foreign-funded firms which have gone into operation.

It has also helped the firms solve problems of funds, electric power supply and obtaining export licenses.

The export structure has been changed from the traditional export products of textiles and art crafts to high-tech products such as computer software and stainless steel decoration plates.

### **Hubei Governor on Improving Foreign Capital Uses**

HK2109083694 Wuhan HUBEI RIBAO in Chinese  
17 Aug 94 p 1

[By Xia Yibing (1115 0001 0365): "Provincial Meeting on Foreign Economic and Trade Work Stresses Need To Push Utilization of Foreign Capital to New Stage"]

[Text] At a provincial meeting on foreign economic and trade work held on 16 August, Governor Jia Zhijie stressed that the people of the entire province, from top to bottom, should acquire a clear understanding of the situation, seize the opportunity, and push the province's work of utilizing foreign capital to a new stage.

Since the first Sino-U.S. joint venture in our province—Hubei Parker Sealed Devices Company Limited—was set up in 1979, our work to utilize foreign capital has gone through several stages including starting, exploration, and steady development. So far, a grand total of 4,840 foreign-invested projects or projects initiated by through foreign government loans have been approved, and foreign capital actually used has reached \$1.72 billion. The execution of these foreign-invested projects has facilitated the formation of the province's open-door pattern, made good the fund shortage in our province, and quickened the pace of our economic development, which has played a positive role in our endeavor to open wider to the outside world and develop the national economy in our province.

The meeting maintained that there had been both achievements and shortcomings in our work of utilizing foreign capital. Our principal shortcomings include the small scale of foreign capital actually used, as the proportion of the province's total amount of fixed-asset investment is two percentage points lower than the national average. We have had few foreign-invested projects and limited available funds, which only account for 2.6 and 1.7 percent of the national total respectively. The overall level of foreign-invested enterprises is low, and projects reserved for foreign investment are inadequate. Various departments and localities should take the above problems very seriously, study them conscientiously, and resolve them realistically.

At present, we are confronted with new opportunities of utilizing foreign capital. 1) Due to the economic recession in Western countries, large amounts of funds are looking for outlets; 2) China's openness has proceeded from the coastal areas to the interior areas; and 3) the soft and hard environments for utilizing foreign capital have substantially improved in our province. Therefore, we must seize these opportunities to raise the work of utilizing foreign capital to a new level.

Jia Zhijie stressed in his speech that with regard to enlarging the scope of utilizing foreign capital, we should see to it that large, medium, and small projects are established; state-owned, collective, and private enterprises are set up; primary, secondary, and tertiary industries are boosted; and direct and indirect foreign investments are utilized simultaneously. It is necessary to give correct guidance to the direction of foreign investment, stress the key points in utilizing foreign capital, and encourage the practice of using foreign capital to transform the province's existing enterprises, in particular large and medium state enterprises. We must not prevent allowing a number of enterprises with good performance to undergo transformation through grafting on foreign capital. Trades such as information, consultancy, finance, insurance, and so on should also assimilate experience in utilizing foreign capital and disseminate it deliberately.

Jia Zhijie pointed out: With regard to industries that our province should urgently develop as a top priority, we must grant preferential policies to the special economic zones in the coastal region. In light of this principle, pertinent departments should work out policies and announce them to the public in order to enhance the degree of transparency. In work to import foreign capital, we must enthusiastically open up money markets in Europe and the United States so that there will be multiple sources for absorbing foreign capital. We must change the previous situation of "talking a lot, scarcely making a success, and finding it difficult to put into practice." Moreover, we must persist in holding investors responsible for the entire process of their investments from the establishment of the projects, demonstrations, negotiations, and signing of contracts to the execution of the contracts in order to ensure the quality of projects and raise the success ratio.

#### **Hunan Carries Out High-Tech Development Program**

*OW1909023394 Beijing XINHUA in English 0151 GMT 19 Sep 94*

[Text] Changsha, September 19 (XINHUA)—China's south province of Hunan has launched a high-tech industry development program as an effort to speed up the province's modernization drive.

The program, named "Hunan 1994-2000 High-Tech Industry Development Program", was formulated and revised with the help of nearly 100 experts.

It is aimed at raising the percentage of high-tech industry output among the whole industrial output from 5.6 percent to 12.5 percent, according to a provincial official.

Five high-tech industries, new materials, biological technology, electronics and information, mechatronics [as received] and new energy, and environmental technology, are key sectors to be upgraded with advanced technology, the official said.

Experts said that the whole program will need about 6.584 billion yuan. But the application of scientific results will bring about new output value of 31.4 billion yuan annually, they noted.

Statistics show that by the end of 1993, Hunan Province had reaped more than 20,000 technical results, of which, more than 450 were of world advanced level.

#### **Southwest Region**

##### **Sichuan To Build More Ports of Entry**

*OW1809031694 Beijing XINHUA in English 0241 GMT 18 Sep 94*

[Text] Beijing, September 18 (XINHUA)—To meet the demands of opening to the outside world, southwest China's Sichuan Province plans to build four more ports of entry and affiliated customs institutions in the coming years.

The four ports include three railway ports in Chengdu, Chongqing and Panzhihua, respectively, in addition to a waterway port in Wanxian County, according to the Beijing-based newspaper FINANCIAL TIMES.

The inland province also plans to open an air route to Japan this year, bringing the total international air routes from the province to five.

It has now three ports of entry, respectively in Chengdu Airport, Chongqing Airport and Chongqing Harbor.

##### **Dalai Lama To 'Step Down' if Tibetans Take Up Arms**

*OW2109012494 Tokyo YOMIURI SHIMBUN in Japanese 20 Sep 94 Morning Edition p 4*

[Report on interview with Dalai Lama XIV by YOMIURI SHIMBUN reporter Shoichi Nasu on 18 September in London]

[Text] London, 19 Sep—Dalai Lama XIV, the supreme Buddhist leader of Tibet, granted an interview to YOMIURI SHIMBUN on 18 September in London where he is currently visiting. He said: "If the moderate policies we currently take against the PRC should collapse, we plan to hold a referendum within and outside Tibet and leave it up to the people to decide how they plan to carry on their struggle in the future."



First, the Dalai Lama asserted: "There has been no change in my basic stance of being opposed to violence." He then said: "My 15-year moderate-line policies failed to bring any concessions from China. Some countries like the United States have accepted my appeal and have been pressing China to come to the negotiating table. This is our final hope." However, he said that he has decided to ask the Tibetan people what to do next if this "final hope" should vanish.

In the event the Tibetan people should decide to seek independence through armed struggle, the Dalai Lama said: "This is against my beliefs, so I cannot help but step down as leader."

The referendum would be conducted to let the people choose between the Dalai Lama's "moderate strategy" and "complete independence." The Dalai Lama indicated the referendum cannot be conducted with all the people in Tibet participating, and may even take place over a year or two, depending on circumstances. However, he also indicated that it may be possible to learn about the general opinion of the people by conducting hearings with regional and organizational leaders in Tibet.

The Dalai Lama reiterated the "moderate strategy" he has proposed to the PRC, saying: "The Tibetan people should have rights to all matters except defense and foreign affairs. This idea is in their best interest." He added: "We understand China's position of not being able to recognize Tibet's independence considering the possible impact this may have on other regions in China. As for Tibet, it also has to rely on China for economic reasons."

Regarding the current situation in Tibet, the Dalai Lama said: "The situation is very bad as China still continues to increase its military presence. There are even teenagers as young as 14 or 15" among political prisoners.

The Dalai Lama, who lives in exile in India, has been visiting London to attend a religious conference.

#### **Tibet Chairman Attends Party Plenum Group Discussion**

*OW1909001294 Lhasa XIZANG RIBAO in Chinese  
3 Sep 94 p 1*

[Article by XIZANG RIBAO reporter Liu Liqiang (0491 4539 1730): "Make Unremitting Efforts To Develop Farming and Animal Husbandry"]

[Text] On the morning of 2 September, Gyaincain Norbu, Tibet autonomous regional party committee deputy secretary and autonomous regional chairman, participated in a discussion held by the second Xigaze group [at the Sixth Enlarged Plenary Session of the Fourth Autonomous Regional CPC Committee].

After listening attentively to speeches delivered by some participants, Comrade Gyaincain Norbu said: The central task of the Sixth Enlarged Plenary Session of the

Fourth Tibet Autonomous Regional CPC Committee is to urge participants to more systematically and comprehensively study and understand the guidelines of the Third Forum on Work in Tibet convened by the central authorities, to solve problems concerning ideological understanding, and to improve such understanding. We should seek unity of thought on the guidelines of the Third Forum on Work in Tibet and the Sixth Enlarged Plenary Session of the Fourth Tibet Autonomous Regional CPC Committee among leading bodies at all levels and the broad masses of party members and people.

The central authorities have drafted major policies and principles that will apply in Tibet for a certain period of time, and that are very explicit about measures to promote development and stability. Stability is the prerequisite, and development is the basis. While optimizing its economic structure and improving economic efficiency, Tibet should maintain its economic growth rate at around 10 percent; nearly double, by 2000, its total annual output value of goods and services in 1993; become basically self-sufficient in grain, meat, and edible oil; and achieve moderate prosperity along with people of all nationalities in the country. This is a very difficult task that will put you under pressure. However, it is good to have pressure, which can motivate people. We should realize that we have favorable conditions for development—we have received the party Central Committee's attention, support from the whole country, and various preferential policies. A growth rate of around 10 percent is a realistic, positive, and feasible goal to attain. The key lies in whether our party members, and leading cadres who are party members, can seize the opportunities and show conscious initiative and creativity in their work. We no longer have any reason to believe our development future is uncertain, or to lose heart or improperly belittle ourselves when we come across unfavorable development factors. It is time for us to answer the historical question of "what should we do." We should adopt new lines of thought, methods, and work style as Tibet enters a new historical era.

Deputy Secretary Gyaincain Norbu, after being informed about Xigaze's population, made these calculations using his fingers: Based on the present per-mu and per-unit yields, we will face a very formidable task of increasing grain production by an average of 100 jin per mu by 2000, and of increasing the speed of commercializing farm and animal products. Much work awaits us. In addition to increasing our reserve strength for developing such infrastructural facilities as those related to energy resources, we should increase our investment in education, science, and technology. We should firmly foster the thought of science and technology being the primary force of production. Gyangze and other localities have experienced success in developing their farming and animal husbandry sectors through science and technology. Stability in agriculture is a matter of great importance. In Tibet, sustained development in

other industries is dictated by whether or not the primary industry develops steadily. We should make unremitting efforts to develop farming and animal husbandry, the main industrial sectors.

**Tibet Secretary Discusses Development at Party Plenum**

*OW1909001094 Lhasa XIZANG RIBAO in Chinese  
3 Sep 94 p 1*

[Report by unattributed XIZANG RIBAO reporter: "Chen Kuiyuan Attends Changdu Group's Discussion, Asking All Localities To Use Their Strong Points and Develop Along the Right Path"]

[Text] Speaking at a discussion held by the Changdu group during the Sixth Plenary Session of the Fourth Tibetan Regional CPC Committee on 2 September, regional party Secretary Chen Kuiyuan stressed: All prefectures and counties should proceed from the local conditions and find out what their strong points are and what the right course of development is.

Chen Kuiyuan pointed out: If every locality can find one or two promising industries suitable to local conditions and achieve economies of scale step by step in developing them, these industries will be able to bring along other industries with them and bring the local economy onto the road of healthy development.

We cannot develop our economy blindly. We can obtain results only if we find the right course and advance along it step by step. At present, provinces, municipalities, and autonomous regions across the country are vying with each other to find the right course and develop along it. In this pressing situation, how do we develop Tibet and how do we develop our counties? Secretary Chen stressed: The central authorities have pointed out the direction and path for us. Everyone of us must be resolved to do our utmost to relay, study, and understand the guidelines of the central forum [the Third Forum on Work in Tibet]. Only by achieving unity in thinking based on the forum's guidelines can we have a steady stream of motive force and bring into play our subjective initiative to the maximum.

In the discussion, Secretary Chen also stressed: In seeking development, while it is necessary for localities to face their difficulties squarely, the important thing is to think more about their strong points and about ways to make use of them. By doing so, we will be able to boost our morale and develop continuously.

Secretary Chen Kuiyuan continued: The most fundamental thing in study is to acquire a clear strategic idea of development. Each prefecture and county should have its own development ideas. Only in this way can we seize the opportunities and make progress continuously. We must greatly enhance our ideological awareness through study and heighten our spirit to the optimal level. Not only should we transform our ideas but we should also

change our words. We should discharge our responsibilities bestowed on us by history in a completely new posture and submit a correct answer sheet to the party Central Committee and the people throughout the country.

Changdu Prefecture and County leaders who took part in the discussion said: If we pass over the opportunity and fail to take advantage of it, we cannot justify ourselves to the organization and the people. The leaders were resolved to earnestly study, profoundly grasp, and arm themselves with the forum's guidelines and to lead the vast numbers of cadres and masses in their locality in creating a new situation in various fields of endeavor.

**Danzim Speaks on Tibet Education Propaganda Work**

*OW1909053094 Lhasa Tibet People's Radio Network in Mandarin 1400 GMT 7 Sep 94*

[Text] On the afternoon of 6 September, a leading group for Tibet's education propaganda month held a meeting in Tibet's Education Hall of responsible people of regional ministries and commissions, departments and bureaus, and various universities and colleges to mobilize and make arrangements for the education propaganda month campaign across Tibet. Regional government Vice Chairman Laba Pingcuo presided over the meeting. Members of the leading groups for Tibet's education propaganda month campaign attended the meeting. Regional party Deputy Secretary Comrade Danzim delivered an important speech.

Comrade Danzim said: Launching the education propaganda month across Tibet is a key measure adopted to implement guidelines of the National Work Conference on Education, the Third Forum on Work in Tibet, and the Sixth Plenary Session (Enlarged) of the Fourth Tibet Autonomous Regional CPC Committee. The education propaganda month coincides with China's 10th Teacher's Day and the first anniversary of promulgating the "Teachers' Law"; therefore, there are two basic tasks of the education propaganda month: One is to propagate education and the other is to do solid work for education and teachers.

Comrade Danzim said: To propagate education, we should focus on propagating the development of education as a strategic priority; propagating the relations between education and economic development, in which, education serves to promote economic development; and the important position and role of education in improving the nation's overall quality. Through popularizing the Teachers' Law, the Compulsory Education Law, and the State Council Opinions on Implementing the Program for Educational Reform and Development, the expositions on Tibet's education by Deputy Secretary Raidi and Chairman Gyaincain Norbu in their speeches at the Sixth Plenary Session (Enlarged) of the Fourth Tibet Autonomous Regional CPC Committee, we have unprecedentedly mobilized such enthusiasm as



care, respect, and support for education of governments at all levels and the whole society; and have enhanced the whole society's awareness of respecting teachers and esteeming knowledge. Thus, everyone understands in economically and culturally backward Tibet, economic development and social progress must depend on developing education and improving people's overall quality.

Comrade Danzim said: To attach importance to education, first of all, we should respect teachers; to make a success of education, first of all, we should have qualified teachers. Currently, there are three problems demanding prompt solution in training qualified teachers in Tibet: First, we should improve teachers' political integrity. Without resolving this issue, it will be very difficult to develop education and improve education quality to a large extent. Second, we should resolve teachers' trouble back at home and real problems in work, study, and life. For various reasons, there exist many concrete difficulties and problems in teachers' welfare, wages, and living and work conditions—a situation that is totally not worthy of teachers' efforts devoted to their work, their title of engineers of mankind's soul, and their engaging in propagating the most glorious undertaking in the world. Third, we should stabilize the ranks of teachers. We should not ignore those outstanding backbone teachers from hinterlands teaching in Tibet and outstanding local backbone teachers who are not satisfied with being staying in the localities and intend to enter other organs. To do solid work for teachers and education, we should not pay lip service, but should take action to carry it out.

Comrade Danzim said: To do solid work for teachers, first, during the education propaganda month, we should focus on resolving the issue of teachers' back pay, that is, we should protect teachers' legitimate rights according to law. No matter what the reasons, we should settle the issues of teachers' back pay and arrears in teachers' pay raises resulting from promotion. If this problem is not settled, there is no way to protect teachers' legitimate rights or to respect teachers and their teachings.

Second, it is very difficult for teachers, especially those teachers in rural citizen- or state-managed schools to get reimbursement for their medical and travelling expenses. We should formulate and perfect policies to handle the issue properly.

Third, during Teacher's Day and the education propaganda month, we should screen the reasonable demands and difficulties presented by teachers and schools to governments at all levels. We should resolve those issues which demand solution and reply those demanding a reply.

Fourth, during Teacher's Day, governments at all levels, departments in charge of education administration, independent units at and above county level around the areas where schools are located, and enterprises and institutions should visit teachers and schools to extend their greetings and publicize social customs of respecting teachers and esteeming knowledge.

Comrade Danzim said: To do solid work for schools, governments at all levels and departments in charge of education administration should truly resolve the schools' difficulties. First, the schools' electricity supply issue. In areas where electricity supply is available and conditions are ripe for resolving the issue, we should give priority to resolving the electricity supply issue and ensuring electricity for schools and teachers. Second, the schools' water supply issue. We should especially resolve the drinking water supply issue for teachers and students in school. To guarantee their health, we should especially pay attention to resolving the water supply issue in schools in agricultural and pastoral areas. Third, party and government organs at all levels and departments in charge of education administration should investigate teachers' housing to resolve problems demanding prompt solution. Housing for backbone teachers should be a bit better than that for cadres at the same level of local organs and units. While resolving housing problems of various organs and units, governments at all levels should give priority to resolving teachers' housing problems. Fourth, all problems to which school demands prompt solution should be resolved one by one during the education propaganda month.

To do solid work for teachers and education, the key lies in leadership and attention and coordination with various quarters in society. During Teachers' Day and the education propaganda month, leaders of governments at provincial, prefectural, and county levels in charge of education should go down to schools, especially schools in poor and remote areas, to deal with school problems on the spot and to hear teachers' and students' opinions. Leaders from 75 counties in various prefectures and cities should go to school to deal with real problems on the spot. Regional ministries, commissions, departments, and bureaus should do solid work for education; and promote county-level independent organs and enterprises and institutions to do solid work as well.

Launching the education propaganda month campaign is to enable governments at all levels to pay attention to developing education, to enable the whole society to optimize the environment under which people are educated, and to enable people to make efforts to respect teachers and esteem knowledge. These are the reasons for Tibet's education propaganda month.

#### **Tibet Vice Chairman Interviewed Before Leaving for Nepal**

*OW2109005394 Lhasa Tibet Television Network in Mandarin 1200 GMT 17 Sep 94*

[Interview with Toinzhub (Dun Thu), vice chairman of the Tibet Autonomous Regional People's Government, by unidentified station reporter at Lhasa Airport on 16 September; from the "Regional News Hookup" program]

[Text] Tibet's seven-member observation delegation to Nepal headed by vice chairman of the Tibet Autonomous Regional People's Government Toinzhub left



Lhasa for Nepal on 16 September. Gyaincain Norbu, chairman of the regional people's government; Yang Chuantang, member of the Standing Committee of the regional party committee and executive vice chairman of the regional people's government; and Gying Puncog Cedain, vice chairman of the regional people's government, were at the airport to bid them farewell.

Before the delegation left, this reporter had an interview with Toinzhub, vice chairman of the regional people's government and head of the observer delegation.

[Reporter] What is the main mission and purpose of the delegation's visit to Nepal?

[Toinzhub] At the invitation of the Kingdom of Nepal, the Chinese Tibet autonomous regional economic and trade delegation will make a friendly visit to Nepal. During the friendly visit, we will call on Nepalese Prime Minister Koirala and also call on the ministers of commerce, tourism, finance, and transport. We will also hold talks with concerned Nepalese departments. During our friendly visit to Nepal, I and members of the Tibetan delegation will attend the China-Nepal Trade Fair in Katmandu. The number of units and participants, the quality of the fair, and the duration of the fair are all unprecedented. Through the trade fair, we will further explore ways to jointly develop trade. In addition, the trade fair will also greatly promote friendly contacts and economic relations between Tibet and Nepal. I am convinced that the trade fair will be a complete success. It will play a positive role in promoting economic relations and trade development between Tibet and Nepal. Thanks.

#### **Tibet Officials Meet With Living Buddha Garmaba**

OW2009150094 Beijing XINHUA in English 1410 GMT 20 Sep 94

[Text] Lhasa, September 20 (XINHUA)—Officials of the Tibet Autonomous Region met here Monday [19 September] with O'kying Chilai, living Buddha Garmaba of the Kagyudpa school (the white sect) of Tibetan Buddhism, as he was preparing to visit Beijing.

Chen Kuiyuan, secretary of the regional committee of the Communist Party of China, fully affirmed the school's cooperation with the government in recent years.

"Buddhism played a very positive role in history for the development of Tibetan culture and the progress of Tibetan society," Chen said. "The Communist Party and the government advocate religious freedom and protect normal religious activities."

He said he hoped that religious circles would abide by the laws and do a good job of managing the temples in line with government laws and religious doctrines.

"A handful of separatists inside and outside China are attempting to use religion to engage in separatist activities," he said. "This is absolutely forbidden." he

expressed the hope that living Buddha Garmaba and Curbo Monastery would fight sternly against separatists.

Wearing a smile, the ten-year-old living Buddha seemed to be quite at ease during the meeting.

"I heartily thank the regional party committee and government for their constant concern and support to Curbo Monastery and me," he said. "I will study well and always follow the Communist Party of China."

"We hope for rapid economic development in Tibet and wish it to become prosperous as soon as possible," Renlo, director of the democratic management committee of Curbo Monastery, said.

"It is a good opportunity for you to have exchanges with religious circle in the interior of China," Gyaincain Norbu, chairman of the regional government told the living Buddha.

According to Tuden Sambu, one of the living Buddha's teachers, O'kying Chilai gets up at six o'clock every morning, studies eight hours a day and holds religious ceremonies for his disciples.

#### **State Taxation Bureau Opens in Tibet**

OW2009193394 Lhasa Tibet Television Network in Mandarin 1200 GMT 17 Sep 94

[From the "Regional News Hookup" program]

[Text] Recently, a solemn ceremony marking the inauguration of the Tibet Autonomous Region's State Taxation Bureau was held. Secretary Chen Kuiyuan and Chairman Gyaincain Norbu unveiled the bureau's shingle at the ceremony.

During the inauguration ceremony, Ci Nuo, the Tibet Autonomous Region State Taxation Bureau's director, said: The CPC Central Committee, the State Council, and the State General Administration of Taxation made an important decision to set up the Tibet Autonomous Region's State Taxation Bureau to better carry out taxation work and ensure the smooth realization of the policy and goal of finance and taxation reform. The state taxation bureau's establishment in the region means that our responsibility is more important than ever. Our function and responsibility remain the same after the state taxation bureau's establishment in Tibet. We must be subject to and serve Tibet's reform, opening up, and economic development drive. At the same time, we must promote the establishment of a socialist market economy in Tibet. Under the leadership of party committees and governments at all levels, we must carry out all taxation policies in Tibet and strive to improve all of our tasks.

On behalf of the Tibet Autonomous Region's CPC Committee and Government, Gyaincain Norbu, deputy secretary and chairman of the autonomous region, expressed warm congratulations over the bureau's inauguration. He expressed hope that the bureau, stimulated by the guiding spirit of the Third Forum on Work in

Tibet and the Sixth Plenary Session of the Fourth Tibet Autonomous Regional CPC Committee, will strive to do a good job in instituting national and local taxation systems and accomplishing all tasks for a stable transfer and smooth implementation of the new taxation system so as to make new contributions to promoting economic development and political stability in the region.

Also attending the ceremony were Puqung, Tian Fujun, Toinzhub, Lamin Zuolanglunzhu, and other leaders of the autonomous region's relevant departments.

### **Tibet Receives Over 200,000 Overseas Tourists Since 1980**

*OW1809115594 Beijing XINHUA in English 0850 GMT 18 Sep 94*

[Text] Lhasa, September 18 (XINHUA)—Tibet on the roof of the world has received more than 200,000 overseas tourists since 1980 when local tourism industry went into business.

This has brought 530 million yuan (about 61.6 million U.S. dollars) of business earnings along with 65 million U.S. dollars of foreign exchange earnings to Tibet, according to local tourist officials.

Through 14 years of development, the autonomous region has opened 26 hotels with 4,100 beds to accommodate visitors. In addition, it has constructed three hotels in Beijing, Xian and Chengdu, places tourists usually visit or must pass before going to Tibet.

In order to meet the interests of tourists, efforts were made to explore new attractions. Now overseas tourists can enjoy a variety of colorful tourist activities including touring over 20 sites of historical interests, climbing 39 mountains, taking part in Tibetan festivals as well as visiting Tibetan families.

Tourism schools of higher learning in big cities such as Beijing, Shanghai and Chengdu have helped train more than 3,000 local tourist personnel, including interpreters, guides, and managers, mostly of Tibetan nationality, who are working for dozens of local hotels, travel agencies and tourist offices.

The local tourist industry received a lot of help from the central government and local governments all over the country, according to local tourist officials.

In 1986, the central government and nine provincial governments invested 200 million yuan in the construction of seven large hotels in Lhasa, the regional capital, and Xigaze.

The central government has also funded the expansion of the main runway of the Gongga Airport in Lhasa, the renovation of the Qinghai-Tibet highway as well as a number of other transportation facilities in the autonomous region.

### **'Aid-Tibet' Projects Commence**

*OW1909092194 Beijing XINHUA in English 0830 GMT 19 Sep 94*

[Text] Lhasa, September 19 (XINHUA)—Construction of the first batch of 17 aid-Tibet projects has started one by one, according to local officials.

Preparation work on the other 45 aid-Tibet projects has now been in its final stage and is expected to be completed by the end of this month.

The projects, with a total investment of 2.38 billion yuan, involving agriculture, energy resources and transportation, were approved by the third national working conference on aiding Tibet in July this year.

The central authorities and governments of other provinces, regions and cities have sent 32 inspection teams to Tibet to make arrangements for building these projects.

The State Planning Commission and the State Economic and Trade Commission have directly channeled 115 million yuan to the projects.

### **Conference on Tibet Secures Pledge of 'Massive' Aid**

*HK2109063294 Beijing CHINA DAILY in English 21 Sep 94 p 4*

[Article by Guang Li from the "Opinion" page: "Tibetan Aid Conference Secures Massive Pledge"]

[Text] The Tibet Autonomous Region can expect 10 billion yuan (\$1.16 billion) in financial subsidies and capital investment from central government and other parts of the country before the end of the century.

While discouraging large-scale capital investment in other parts of the country, the central government has decided to give Tibet a strong push in its capital construction.

Ministers and provincial governors gathered together in July for a national conference in Beijing to discuss aid to Tibet.

They decided that over the next seven years, a total of 2.38 billion yuan (\$278 million) will be poured into the autonomous region to finance 62 construction projects.

Most of these projects are in the energy, transportation health care and education sectors. Their completion is expected to give Tibet a facelift and lay a solid foundation for its further development in the next century.

Though most of the capital will come out of State coffers, each province and municipality was contracted to take the responsibility of investing, designing and constructing at least one project in Tibet.

Provincial and municipal involvement varies according to ability and availability of investment capital expertise and plant, but cash investment ranges from sums of 50

million yuan (\$5.84 million) by the advanced coastal provinces and municipalities to 4 million (\$467,000) from the comparatively underdeveloped hinterland.

"The 2.38 billion is already an old story," said Dainzin, deputy Party secretary in Tibet. "Since the July conference, delegations from 24 provinces and municipalities have visited Tibet for feasibility studies of their projects. Many have offered to increase their investment and the total has already surpassed 3 billion yuan (\$350 million)," Dainzin said in Beijing last week.

This increased figure does not include the central government's regular annual financial subsidies to Tibet which have been in the order of 11.5 billion yuan since 1985.

The central government has decided to increase the subsidies on a yearly basis. In the next six years subsidies may well exceed 8 billion yuan (\$934 million). Added to the 3 billion yuan in capital investment from provinces and municipalities the total investment should be around 11 billion yuan (\$1.28 billion)—an average of about 5,000 yuan (\$585) per head for the region's 2.3 million population.

Despite the fact that Tibet has received 13.98 billion yuan (\$1.62 billion) in subsidies and 4.76 billion yuan (\$556 million) in capital investment in the past 42 years since its peaceful liberation, its social and economic development have failed to keep pace with the rest of the country.

Though historical backwardness, its remote, elevated location and the activities of overseas separatists have all hampered the region's underdevelopment, central government has not sat idly and neglected Tibet.

The first major push came in 1985 when the region celebrated the 20th anniversary of its founding. Central government amassed aid from nine provinces and municipalities to aid 43 projects in Tibet. The projects have mostly been completed and are playing backbone roles in the local economy.

While other parts of the country have been met red lights over their initiation of many capital construction projects, Tibet not only gets the green light from the central government but added steam to push the projects through. In 1991, central government investments in Tibet reached a record high of 400 million yuan (\$46.7 million). In 1992, it climbed to 570 million yuan (\$66.6 million).

Preferential policies have also been worked out to boost Tibet's economy. In 1980, central government decided that no agricultural and livestock breeding taxes would be levied in Tibet. Unlike other parts of China Tibet's agricultural and sideline products have not been subject to State unified allocation since 1980.

Rural and urban Tibetans involved in the production and marketing of arts and crafts, construction projects

transportation and retail sales were exempted from industrial and commercial consolidated taxes for specified periods of time.

Individuals and collective trading of farming and sideline products, livestock and heavy industrial products on the market were also free from commercial taxation.

In 1993, the gross output of Tibet reached 3.65 billion yuan (\$426 million), up 8.1 per cent over the previous year and up 120 per cent over 1980, according to the Xinhua News Agency.

Last year, the region's total industrial output value was 477 million yuan (\$55.7 million), up 78.65 per cent over 1980.

Since 1980, the central government has taken measures to stimulate the economic growth of Tibet. It has allowed farmers to farm their land freely and herdsmen to raise animals for themselves. It was decided at the recent national conference on Tibet that such policies will continue for a long time to come.

Tibet has reaped bumper harvests for six consecutive years. Last year, its total agricultural output reached 2.32 billion yuan (\$271 million), up 66 per cent over 1980.

Last July's conference not only confirmed such preferential policies but also granted Tibet favourable Customs rates for imports for its own use.

Tibet's economy is expected to expand at an average rate of 10 per cent or more over the next seven years—higher than the targeted national average which is nine per cent.

In response to help from the central and local governments, the Tibetan government has adopted a series of measures to boost its economy.

"Our development strategy is to use agriculture and livestock breeding as the base, while at the same time concentrating efforts on the development of energy, transportation, telecommunications, science and technology and education. We will also strive to develop the food processing, mining, tourism and commercial trade sectors," said Radi Chairman of the Standing Committee of the Tibet People's Congress.

"The Party and the central government constantly have the interest of Tibetans in their minds. With their supports, it's certain that Tibet will develop and prosper further," Radi said.

#### **Tibet Forum Marks Jubilee of Autonomy Law**

*OW2009104794 Lhasa Tibet Television Network in Mandarin 1200 GMT 16 Sep 94*

[Video report by correspondents Renqing (0088 7230), Bazhu (1572 3796) and Awang Luozhu (7093 2489 3157 3796); from the "Regional Hookup" program]

[Text] A forum of the Tibet Autonomous Region to mark the 40th anniversary of the founding of the people's



congress system and the 10th anniversary of the promulgation and going into force of the Law on Regional Autonomy for Minority Nationalities was held in Lhasa on the afternoon of 15 September.

Attending the forum were leaders of the autonomous region, including Chen Kuiyuan, Raidi, Gyaincain Norbu, Guo Jinlong, Basang, Lieque, Puqung, Zheng Ying, Sengqen Lozong Gyaincain, Samding Doje Pamo Deqin Quzhen, Tian Fujun, Li Weilun, Baima Duoqi, (Yongzhong Gawa), (Cui Jibo), Gyamco, Chipu Puncog Cedain, Luosang Toinzhub, Luosang Danzeng, Jangzhong Zhaxi Doje, Lhamin Soinam Lhunzhub, Lhalu Cewang Doje, Tangmai Gongjue Baimu, Gonbasar Tubdanjigzha, Qaba Gaisang Wangdui, Duoqizha Renzengqinmo Jiangbailuosang, Wang Hailin, Baizhao, (Song Junzhong) and Tan Huasheng. Also present were leaders the air force command post and the various departments and offices of the regional government in Lhasa. [video shows medium shots of the leaders as their names are read]

Gyaincain Norbu, deputy secretary of the Regional CPC Committee and chairman of the Regional People's Government, delivered an important speech. He said: The Law on Regional Autonomy for Minority Nationalities has enjoyed great popularity and support from among the people of all nationalities in Tibet after it was promulgated and put into force. Over the past decade, our region has organized sustained efforts to study, popularize, and implement this law. We have achieved some noticeable progress and gained some experience. [As Gyaincain Norbu reads his script, video alternates between pan shots and medium shots the meeting participants]

First, autonomous organs in the region have energetically implemented their autonomy right. Proceeding from Tibet's political, economic, and cultural peculiarities, they expedited legislative work by drafting or formulating 150 sets of local laws, regulations, or administrative regulations, thereby efficiently ensuring the region's stability, economic development, and social progress.

Second, we have accelerated economic and social development by taking advantage of the series of preferential policies and flexible measures granted by the central authorities. Over the decade, we have consistently taken economic development as the central task, made constant efforts in intensifying reform and opening up wider to the outside world, and taken full advantage of the special policies and flexible measures granted to Tibet by the central authorities in liberating and greatly expanding productive forces. The long-drawn-out self-enclosed status has begun to be broken. Economic self-sufficiency and the system of payment in kind, which took shape under the planned economy, have begun to change. Agriculture and livestock production have developed steadily. Infrastructure construction stepped up, new breakthroughs has been achieved in internal and

foreign trade, and local revenues have increased continually, creating good momentum in economic growth.

In 1992 and 1993, the region's registered economic growth rates of 7.1 percent and 8.1 percent, respectively. Living standards improved markedly. Per capita net income in rural areas was 521 yuan in 1993. The basic needs of most of the population are, by and large, assured. Great progress has been made in such social undertakings as education, science and technology, culture, health, and radio and television services.

Third, the policy on nationalities and religions has been implemented in an all-round way. Thanks to the implementation of the Law on Regional Autonomy for Minority Nationalities, the right of Tibetans and other minorities to administer the internal affairs within their ethnic groups has been further materialized, the Tibetans' legitimate rights and interests have received greater protection, people of all ethnic groups are acting as the masters of their own affairs with more enthusiasm than ever, and the socialist relationship of equality, unity, and mutual assistance among Tibetans, Hans, and other nationalities has been further developed. The party and state attach great importance to the training and employment of Tibetan and other minority cadres. Tibet has now brought up a contingent of cadres consisting of Tibetan, Han, and other minority cadres, with Tibetans predominating. Tibetans and other minority cadres now account for 70.3 percent of all the cadres. Among leading cadres, they account for 67.2 percent at the provincial level; 65.3 percent at the prefectural level; and 60.9 percent at the county level.

Religious freedom is fully protected. The legitimate rights and interests of monks, nuns, and other people with religious beliefs and their normal religious activities are under protection. In the past decade, our region restored a number of ethnic and religious festivals and restored and designated some new sites for religious activities. Under the great care of the central authorities, we invested huge sums to renovate the Potala Palace, Jokhang, Samye, and (Baiji) Temples, and other major temples and historical sites and constructed the Soul Tower for Tenth Bainqen.

Implementation of the policy was completed in an all-round way last year. From 1980 to 1993, a total of 220 million yuan was disbursed in the course of policy implementation, of which nearly 100 million yuan was spent on temples and monasteries. As a result, the party's united front, nationalities, religious policy was carried out in an all-round way. Greater emphasis has been placed on the study and use of the Tibetan language.

Gyaincain Norbu put forth three-point requirements on further implementing the Law on Regional Autonomy for Minority Nationalities. First, we should have our feet planted in national equality and accelerate Tibet's development; second, we should uphold and improve regional autonomy for minority nationalities and properly handle problems concerning to religions and nationalities; third,

we should uphold the unity of the motherland and thoroughly lay bare and smash the Dalai clique's separatist schemes.

On behalf of the regional CPC Committee and the regional People's Congress, Comrade Raidi, executive deputy secretary of the regional CPC Committee and chairman of the regional People's Congress, delivered a speech on ways of upholding and improving the people's congress system in Tibet.

He said: China is a unified, multinational state. It is one of China's basic political systems to practice regional autonomy in areas where minority groups live in compact communities. Experience in the 10 years since the Law on Regional Autonomy for Minority Nationalities was promulgated and put into force shows that the law has played a major role in guaranteeing the basic right of people of all nationalities to act as masters of their own affairs, in mobilizing their enthusiasm for political participation, in developing a socialist relationship of equality, unity, mutual assistance, and cooperation among different ethnic groups, in promoting construction in regional autonomy areas, and in bringing about common prosperity for all nationalities. The system of people's congress and the system of regional autonomy of minority nationalities in the 29 years since the founding of Tibet Autonomous Region, especially since 1979 when standing committees were set up for people's congresses at the county level. [sentence as heard] Under the guidance of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and the series of policies and principles pursued since the Third Plenary Session of the 11th CPC Central Committee, development of democracy and the legal system in Tibet has entered, as elsewhere, a new historical phase. Tibet is a region practicing national autonomy where Tibetans are predominant. It is an inalienable part of the PRC. We have always insisted that Tibetan and other minority cadres play a dominant role in autonomous organs. Tibetans and other minorities accounted for over 80 percent of the deputies to the third, fourth, fifth, and sixth regional People's Congresses. The position of chairman of the people's congress standing committee has always gone to a Tibetan citizen. At last year's elections for deputies to new congresses at the county and township levels, the region's 1.2 million voters directly elected 6,411 county deputies by secret ballot, of which 92.62 percent were Tibetan and other minority deputies. A total of 31,650 deputies to village and township congresses were elected, of which Tibetans and other minority nationalities accounted for 99.92 percent.

In the 10 years since the Law on Regional Autonomy for Minority Nationalities was promulgated and put into force, the regional people's congress and its Standing Committee have adopted, one after another, a resolution on safeguarding national unity and opposing separatist activities; a decision on conducting a region-wide review of the implementation of the Law of People's Republic

of China on Regional Autonomy for Minority Nationalities; formulated autonomy regulations of Tibet Autonomous Region; and adopted 56 sets of local laws and regulations governing politics, economics, education, culture, and so forth, as well as decisions and resolutions on legal matters. They have made great contributions to safeguarding the unification of motherland, national unity, and social stability; to advancing reform, opening up, and economic construction; and to promoting socialist material and spiritual civilizations.

Comrade Raidi pointed out: The recent Third Forum on Work in Tibet convened by the CPC Central Committee was a very important meeting that took place at a crucial time in Tibet's economic and social development. The forum clearly defined the guiding ideology and policy, the strategic goals, and basic tasks on work in Tibet, and laid out important strategic policy for Tibet's stability and development. The forum marks a new starting point and a new milestone for work in Tibet. To thoroughly implement the guidelines of the Third Forum on Work in Tibet, the Sixth Enlarged Plenary Session of the Fourth Regional CPC Committee was convened. After discussions that enhanced and unified participants' understanding, the session adopted specific measures for implementing the tasks set forth by the forum. The top priority today is, pursuant to the requirements set by the regional CPC Committee, to conscientiously study and acquire a thorough understanding of the guidelines of the Third Forum on Work in Tibet, enhance our understanding, achieve a common understanding, and truly unify our thinking in accordance with the central guidelines. Second, we must unfold work of the people's congress while focusing closely on stability and development—the two top priorities of Tibet. The congress should exercise its powers and functions in accordance with law, continue its efforts in promoting democracy and strengthening the legal system, safeguard social stability, and bring about all-round economic and social development in Tibet.

Puqung, vice chairman of the regional People's Congress Standing Committee, presided over the forum. Officials from the Law Committee of the regional People's Congress, the Propaganda Department under the regional CPC Committee, the regional Agricultural Commission, the regional Nationalities Affairs Commission, the Bargor Office in Chengguan District spoke at the forum.

#### **Commentary Marks People's Congress Anniversary in Tibet**

*OW1909043994 Lhasa Tibet Television Network in Mandarin 1200 GMT 16 Sep 94*

[Announcer-read station commentary: "Strengthen Building of the Legal System To Ensure Long-Term Stability," in commemoration of the 40th anniversary of implementation of the people's congress system and the 10th anniversary of the promulgation of the regional national autonomy law; from the "Regional News Hookup" program]



[Text] At a time when Tibet's cadres and masses are studying and implementing the guidelines of the Third Forum on Work in Tibet and the sixth plenary session (enlarged) of the fourth regional party committee just concluded, we greet the 40th anniversary of implementing China's people's congress system and the 10th anniversary of promulgating the regional national autonomy law. On the day when popular feeling ran high, (words indistinct), the public plucks up its spirit, unites, and works hard to invigorate Tibet, we solemnly celebrate the 40th founding anniversary of the people's congress and the 10th anniversary of promulgating the regional national autonomy law.

The people's congress system is China's basic political system. It has been established based on the CPC's scientific summary of its precious experience in establishing political power in the revolutionary bases, its study of other countries' experiences in establishing political power, and China's national conditions; it is a choice of history and the people. It has been created by the CPC by integrating Marxist theory of the state with China's realities and combining hundreds of million of people's interests, wills, and wisdom. The people's congress system best represents people's interests. It pays attention to people's will, so that people can practice democracy and become the masters of their own affairs. The system has been enjoying loyal support from the people of all nationalities across China.

Regional national autonomy has been created by the CPC through integrating the basic Marxist tenets of national issues with China's realities and integrating national autonomy with regional autonomy; best reflects the principle of uniting all nationalities on the basis of equality; and is China's basic policy in resolving national issues as well as China's important political system.

The regional national autonomy law is a basic law for implementing the regional national autonomy system stipulated in the Constitution. Under the Constitution's principles, autonomous organs in regional national autonomous areas not only exercise powers of state organs at the same level in localities, but also enjoy extensive autonomous authority. Since the Third Plenary Session of the 11th CPC Central Committee, especially during the 10 years after the promulgation of the regional national autonomy law, thanks to adhering to taking the theory of building socialism with Chinese characteristics as guidance and the party's basic line—"one central task, two basic points," Tibet's people's congress at all levels and their standing committees have scored marked achievements in legislation; improved and strengthened supervision; strengthened democracy and the legal system in Tibet; scored marked results in studying, publicizing, and implementing the regional national autonomy law; and accumulated precious experience. They have promoted rapid economic and cultural development; achieved political stability and unity; developed a powerful contingent of national cadres; implemented the policies towards nationalities and religion in an all-round manner; attached importance to the

study and use of the Tibet language; and so forth. In short, they have truly protected the rights of all nationalities in Tibet to become the masters of their own affairs, have promoted rapid development of all undertakings, and have maintained social stability.

The Third Forum on Work in Tibet held by the CPC Central Committee and the State Council summed up the historic experiences in carrying out work in Tibet from the perspective of overall strategy, analyzed the situation facing Tibet, defined future policies and missions related to work in Tibet, formulated policies and measures to accelerate Tibet's development and to maintain its social stability, and created a rare opportunity for Tibet's economic and social development.

To seize the opportunity, accelerate development, and maintain stability, we should adhere to and perfect the people's congress system; further implement the regional national autonomy law; and adhere to the concept: only development is something tough and solid. We should develop the economy and at the same time stabilize the situation; liberate our minds; deepen reform; open up wider to the outside world; and get united and work hard to develop Tibet's economy and to ensure democracy, common prosperity among all nationalities, and long-term stability in Tibet.

In reviewing the past, we are proud and joyful. In looking forward to the future, we are confident and vigorous. The great objectives put forward by the Third Forum on Work in Tibet can surely be achieved, as long as, under the CPC leadership, we adhere to perfecting the people's congress system; publicize and implement the regional national autonomy law; strengthen socialist democracy and legal system; enhance awareness of laws; and act according to the law.

### North Region

#### Beijing Cracks Down on Pornography, Illegal Publications

OW1909004294 Beijing XINHUA Domestic Service in Chinese 0821 GMT 14 Sep 94

[Excerpts] Beijing, 14 Sep (XINHUA)—According to BEIJING RIBAO, Beijing's "antipornography" leading group recently took a further step by devising specific rules on issues related to publications in a bid to not only promote book, newspaper, journal, and audio-visual markets in Beijing but also to enhance market management and to severely crack down on a few people who continue to produce and sell pornographic materials and engage in illegal publication activities.

Beijing's book market has become more brisk. It is quite healthy as a whole. It has satisfied the masses' spiritual life. Production and sale of pornographic materials and illegal publication, however, still exist, which affect the building of a socialist spiritual civilization in the capital and even undermine the capital's good name, thus



incurring the great wrath of the masses. Therefore, the Beijing "antipornography" leading group has worked out the following specific rules and management methods on the book market:

Publishing units, printing enterprises, distribution units, and private book and journal sellers are strictly forbidden to publish, print, or sell materials that incite the opposition to the basic principles set down in the Constitution, that endanger the state's security, that undermine national unity, that spread obscenity or superstitious practices, and that magnify violence and crime; as well as other illegal publications.

Publishing units are strictly forbidden to lend their names to other units for a fee. [passage omitted]

Designated printing houses for books, newspapers, and journals must abide by relevant stipulations on printing management. They must first check with publication procedures before accepting printing orders. [passage omitted]

Publishing houses, distribution departments, and wholesale book stores must submit in advance sample copies of books to the municipal news and publication bureau on books related to literature and art, to social sciences dealing with topics regulated by the state, to the beauty of the human body, and to sexual knowledge, for examination and sale approval. [passage omitted]

Retail bookstores and private book stalls must get their supply of books from wholesale markets, the Xinhua bookstore, publishing houses, or from accredited wholesale bookstores. [passage omitted] Retail bookstores and private book stalls will be severely punished if they covertly sell even one of the banned books or journals that have serious political implications pornographic books. Depending on the severity of the cases, the punishment will be either suspension of operations for up to three months, revocation of their business licenses, or be charged with a criminal offense. [passage omitted]

Duplicating audio-visual products and pirating of foreign compact discs and laser discs are strictly prohibited. Violators will not only have their duplicated and pirated audio-visual products confiscated but will also be punished according to regulations. Individuals are not allowed to engage in the production or sale of audio-visual products. Marketplace stalls are prohibited from selling audio-visual products

Law enforcement personnel who do an outstanding job on checking book, newspaper, and journal markets and investigating and handling cases and people who provide information that lead to the cracking of such cases will be awarded prizes as encouragement.

#### **Beijing Gives Death Sentence to 2 Pornography Publishers**

OW1909010494 Beijing 11/21/94 Domestic Service in Chinese 1451 GMT 16 Nov 94

[By correspondent Li J. (2621 3668 1627) and reporter Niu Aimin (3662 1947 3046)]

[Excerpt] Beijing, 16 Sep (XINHUA)—The Beijing Municipal Intermediate People's Court openly pronounced the judgment on a criminal case of speculation, production, and sale of pornographic materials. Principal offender Gu Jieshu was sentenced to death. Another principal offender, Zhang Jun, who confessed and acknowledged some of his crimes, was given a lighter sentence—death penalty with a two-year suspension of execution. Six other culprits involved, Xu Xijun, Xiao Jinsheng, Liu Wenhua, Qu Yongli, Wang Kaiyu, and Luo Ying, were sentenced to fixed-term imprisonment [ranging from five to 16 years, according to omitted passage] on charge of speculation, production and sale of pornographic materials.

According to the court, Gu Jieshu, Zhang Jun, and the six others printed, published, and sold 12 kinds of pornographic publications, totaling more than 830,000 copies, and the sales of the illegal publications amounted to more than 4 million yuan. [passage omitted]

#### **Beijing Bans Collective Petition Activities**

HK1909081594 Beijing ZHONGGUO XINWEN SHE in Chinese 1111 GMT 14 Sep 94

[By Liu Feng (0491 0023): "Beijing Says 'No' to Collective Petition"]

[Text] Beijing, 14 September (ZHONGGUO XINWEN SHE)—Beginning on 1 January next year, Beijing will not allow large-scale collective petition activities. For this purpose, the Beijing Municipal People's Congress has formulated and adopted legislation concerning standardization of residents' petition activities.

The legislation, which is called the "Rules and Regulations of the Beijing Municipal People's Congress Concerning People's Letters and Visits," states that sending letters and paying visits to higher authorities is "a way for the people to exercise democratic rights and manage state affairs, economic and cultural undertakings, and social affairs according to law."

Residents in Beijing frequently offer opinions or suggestions to the governments at all levels in Beijing Municipality in the form as sending letters and paying visits. This is called an activity of sending petition letters and complaints to the higher authorities. From 1992 to June this year, Beijing received 120,000 people's letters and visits, and the number of received letters and visits has increased each year.

The current rules and regulations prohibit petitioners from carrying out illegal activities in the name of offering suggestions to the higher authorities and also from storming state organs. These actions mostly take place in collective petition activities. In the first half of this year in Beijing, there were 262 instances of collective petition activities involving 5,674 people. This phenomenon has never been seen in the past. Order is frequently disrupted in the course of collective petition activities. The current

rules and regulations stipulate that in a collective petition activity, petitioners should send no more than five persons to their representatives.

At the same time, the rules and regulations stipulate: Institutions receiving petitioners should treat the latter earnestly and solve their problems promptly. Otherwise, they will also be subject to punishment.

Beijing Municipality has set up letters and complaints organizations at different levels. According to the Letters and Complaints Office of the Beijing Municipal Government, most of the problems raised by petitioners in Beijing have been solved.

According to an analysis by the office, in addition to personal affairs and civil disputes, problems raised by petitioners in Beijing involve such issues as the resettlement of residents whose houses have been demolished, the city's appearance, communications, housing conditions, treatment of staff members and workers of failing enterprises and enterprises undergoing reform, unhealthy practices in different trades, and officials performing their duties dishonestly.

Deputies to the Beijing Municipal People's Congress remarked that the enactment of this law will help make democratic channels in Beijing unimpeded and orderly.

#### **Beijing Regulations on Implementing Trade Union Law**

*OW1909015394 Beijing XINHUA Domestic Service in Chinese 2125 GMT 12 Sep 94*

[By reporter Li Xu (2621 3563)]

[Text] Beijing, 13 Sep (XINHUA)—Starting 1 November this year, all foreign-invested enterprises, private enterprises, and collective enterprises run by township (town) that meet the set requirements within the Beijing Municipal administrative zone will be required to support their staff members and workers in organizing trade unions; otherwise, they will be held legally responsible for their failure to do so.

This is an important part of the "Beijing Municipal Procedures for Implementing the 'PRC Trade Union Law'" [hereinafter referred to as the "Procedures"]. The 12th meeting of the 10th Beijing Municipal People's Congress Standing Committee, which closed recently, formally examined and passed the "Procedures."

It has been learned that, at the end of August this year, there were more than 9,200 foreign-invested enterprises, more than 20,000 collective enterprises run by townships (towns), and more than 6,000 private enterprises in Beijing. The staff members and workers of these enterprises have all pressing asked for organizing trade unions in their enterprises to ensure their legitimate rights and interests. The managements of these enterprises also have hoped to mobilize workers' enthusiasm

by organizing trade unions. As a matter of fact, some of these enterprises already have organized their trade unions.

The "Procedures" consist of 31 articles. Based on the reality in Beijing, the "Procedures" stipulate that, enterprises, institutes, and other organizations planning to organize trade unions should assign full- or part-time trade union workers in accordance with the number of their enterprises' staff members and workers. The "Procedures" also stipulate that grass-roots trade union organizations are to be registered according to the law as legal persons; set forth trade unions' democratic rights to participate in their enterprise' activities; stipulate the responsibility trade unions should bear in safeguarding their staff members and workers' legitimate rights and interests; stipulate the sources of trade unions' fund and protection of trade unions' property; and stipulate the legal liability trade unions are subject to in the event that trade unions violate any articles of these "Procedures."

#### **Hebei Seeks Foreign Investment in State-Run Enterprises**

*HK1909052794 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 18-24 Sep 94 p 4*

[By Sun Shangwu: "Hebei Seeks Funds To Aid State-Run Enterprises"]

[Text] North China's Hebei Province is looking to foreign investment to renovate State-owned enterprises and to ease the region's power shortage.

Last week the local government held a six-day trade fair in the provincial capital Shijiazhuang and announced 3,000 investment-oriented projects.

About 80 percent were directed toward industry, transportation, power, raw materials, and agriculture according to Chen Liyou, executive vice-governor of Hebei Province.

Seeking foreign investment to revitalize State firms is at the top of the province's working agenda he said.

Almost a third of the new projects are involved with the renovation of state firms.

During the meeting, 248 contracts targeting State industries were signed, accounting for 35 percent of the total.

Investment value of the contracts was \$817 million—\$406 million of it from foreign investors.

Foreign capital should be used to improve the state firm's technical levels boost their production capacity and improve their efficiency Chen said.

He also suggested that State firms take an aggressive stance in seeking foreign capital to revitalize themselves.

State enterprises should act as the protagonist in the market economy and be active in the country's drive to open up Chen pointed out.

The asset evaluation practice cannot be ignored when introducing foreign capital to State firms he added.

At the same time, the province, gripped by a serious power shortage, took a positive position in seeking foreign investment for constructing hydroelectric power stations.

Contracts for 10 electric power projects totalling more than \$10 million were signed. Investment came from the United States Netherlands Canada and Japan.

Chen urged financial departments to give full support to all projects with emphasis on those stipulated by national policy.

"Financial bodies should work to accumulate capital for these projects he emphasized.

At the close of the fair, 700 contracts involving foreign investment were signed. Of the \$2.1 billion worth of signed contracts foreign capital represented \$1.1 billion.

#### **Hebei's Double-Track Railway Bridge Completed**

OW2009181494 Beijing XINHUA in English 1506  
GMT 20 Sep 94

[Text] Shijiazhuang, September 20 (XINHUA)—A double-track concrete railway bridge, the longest such bridge so far in China, was finished 100 days ahead of schedule today.

The Hutuo River Bridge, 4,066 m [meter] long, is located in north China's Hebei Province. The double-track railway on the bridge is part of the railway line between Beijing and Kowloon, which is expected to open to traffic next year and will greatly improve China's railway transportation.

The bridge was built within 108 days.

#### **Tianjin Secretary Names Outstanding Intellectual Products**

SK2009064994 Tianjin People's Radio in Mandarin  
2300 GMT 19 Sep 94

[Text] On the morning of 19 September, the municipal party committee and government held a meeting to name Tianjin Municipality's 1993 outstanding intellectual products and to commend those units and writers whose works had been selected or nominated for the 1993 spiritual civilization five first-grade project awards by the Propaganda Department of the CPC Central Committee.

Gao Dezhan, secretary of the municipal party committee, attended and addressed the meeting. Zhang Lichang, deputy secretary of the municipal party committee and mayor, read the decision of the municipal party committee and the municipal government on naming Tianjin Municipality's 1993 outstanding intellectual products and commending the outstanding units.

Municipal leaders, including Li Jianguo, Liu Fengyan, Qian Qiao, Huang Yanzhi, and Zhang Guanwen, attended the meeting.

Luo Yuanpeng, member of the standing committee of the municipal party committee and director of the propaganda department, presided over the meeting. (Han Zhenguo), director of Tianjin Film Studio, and (Wen Keqin), dean of ethics institute of the municipal academy of social sciences, introduced their process and experiences in creating outstanding intellectual products.

In his speech, Gao Dezhan said: The five first-grade project is an important move for building the socialist spiritual civilization. Since the implementation of this project three years ago, Tianjin has witnessed progress every year and made a big step during the past three years. This indicated that Tianjin has made breakthrough progress in actively promoting the main melody and unceasingly issuing high quality intellectual products. These outstanding achievements have brought credit to Tianjin and given great encouragement to the people across the municipality.

In his speech, Gao Dezhan stressed four views on further strengthening Tianjin's spiritual civilization. First, we should further enhance the consciousness and steadfastness of persisting in taking a two-handed approach in work and realistically strengthen the building of socialist spiritual civilization. As far as Tianjin is concerned, to realize the grand objective of invigorating the municipality, making the people rich, and enabling some of them to attain the level of moderate prosperity and to create further brilliant success in Tianjin, we must not only vitalize enterprises, invigorate the economy, and make the people prosperous, but also manage official work justly, maintain good order, and attain high quality. Only when these two tasks are integrated can we have prosperity in Tianjin. Collectives and individuals who have made outstanding contributions to Tianjin's spiritual civilization construction must be commended and awarded. Second, we should conscientiously implement the study outlines of patriotic education and comprehensively fulfill all tasks on building spiritual civilization with high standards. Third, we should consolidate the achievements, create new achievements, and guarantee complete success in the five first-grade project. Fourth, we should realistically strengthen leadership and push the building of spiritual civilization to a new stage. In referring to how to exert efforts to grasp this year's various tasks well, Gao Dezhan pointed: At present, we are in a decisive crucial stage. In addition to fulfilling or overfulfilling all tasks defined during the beginning of this year, we must also guarantee that we meet the high standards, attain the high level, and create first-grade work. All localities, departments, and units must have the working enthusiasm of scaling heights and creating first-grade work, never slacken their efforts for a single day, concentrate efforts on grasping economic work, the building of spiritual civilization, comprehensive management of public security, and all tasks that involve the



people's living, such as stabilizing prices, and maintain and develop a good trend in all of Tianjin's fields of work.

### **Tianjin Increases Machinery, Electronics Exports**

*SK1909072994 Tianjin People's Radio in Mandarin  
2300 GMT 17 Sep 94*

[Text] Since the beginning of this year, Tianjin has achieved good results in machinery and electronics products exports via ports. Thus far, Tianjin has earned \$300 million in foreign exchange from machinery and electronics products exports, fulfilling the annual target by 71.55 percent. When viewed from the current development trend, Tianjin will probably top \$500 million and set a record high in this regard this year.

Since the beginning of this year, some high-tech machinery and electronics products export with high added value has jumped by a large margin. For instance, exports of electron organs, electron spare parts, computer keyboards, electric wire, electric cable, and elevators have clearly increased. The 60 L-series tractors was originally exported to the Southeast Asia region alone, but, now, they are exported to the United States, Russia, New Zealand, Australia, and Colombia, with the foreign exchanges earned from it increasing year by year. Xiali sedans and (Yantai) buses have also been exported for the first time this year.

### **Northeast Region**

#### **Heilongjiang Secretary on Deng Study Group**

*SK1709080094 Harbin HEILONGJIANG RIBAO in Chinese 31 Aug 94 p 1*

[Excerpts] From 25 to 27 August and on 29 August, the studying central group under the provincial party standing committee studied again in a concentrated way the Volume 3 of *Selected Works of Deng Xiaoping* by discussing the issues of further emancipating minds, straightening out the ideas of economic development, and quadrupling the province's gross national product.

Attending the study gathering were members of the provincial party standing committee; secretaries from the leading party groups under the provincial people's congress; vice governors, special advisers, and governor's assistants of the provincial people's government; secretaries from the leading party groups under the provincial Chinese People's Political Consultative Conference Committee; and responsible comrades from the provincial higher people's court and the provincial people's procuratorate.

Yue Qifeng, secretary of the provincial party committee, presided over the study gathering and delivered an important speech.

The studying gathering is aimed at regarding as guidance the theory of Comrade Deng Xiaoping with regard to

building socialism with Chinese characteristics, understanding again the province's situation by using the viewpoints of socialist market economy, and discussing the emergency of quadrupling the province's gross national product by 2000 and the necessary measures adopted for realizing the quadruple of the gross national product.

The participating comrades simultaneously contended that whether Heilongjiang Province can quadruple its gross national product by 2000, realize the grand target set by Comrade Deng Xiaoping, and fulfill the strategic tasks imposed on us by the CPC Central Committee and the State Council, represent a severe test imposed on the provincial party committee, the provincial people's government, and the party committees and governments at all levels; as well as a severe test imposed on the fighting strength of 1.3 million cadres and 1.7 million party members throughout the province. Only by boosting the national economy and enabling the people to become rich in their livelihood can we feel no qualms at our predecessors who have made tremendous contributions to the motherland by putting forth their strength, shedding their sweat, and sacrificing themselves, as well as at the 36 million people of various nationalities throughout the province. We must give clear and qualified answers to such extremely important and very serious questions that have a bearing on the whole situation and are of an economic, political, and social character.

The participating comrades contended that in fulfilling the task of quadrupling the gross national product, what is most important and fundamental is still to arm the mind with Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics; to emancipate and change minds in line with the ideological and working realities; to apply the theories of the market economy to understand the province's situation and to straighten out the ideas of economic development; to unify the thinking; to heighten the spirit; to bring into play the enthusiasm of various circles; and to mobilize and organize party members, cadres, and the masses across the province to make concerted efforts in waging struggles.

In line with the province's working reality and according to the strategic issues of realistically boosting large and medium-sized enterprises, as well as large-scale agriculture, vigorously opening the second battlefield of economic development, and conducting the second pioneering work, the participating comrades held the deep-going discussion and brought about the following common understandings:

1. Efforts should be made to open the second battlefield of economic development and to vigorously foster new economic growing points. [passage omitted]
2. A good job should be done in formulating the strategy for business and sales and conducting management over business and sales so as to enable enterprises to turn their

productive style into the style of both business and production. [passage omitted]

3. Efforts should be made to vigorously foster and to go all out to develop a large number of large and new-style enterprises and enterprises earning a large amount of profits and taxes. [passage omitted]

4. Efforts should be made to relax the restrictions on scientific and technological personnel and to conduct flexible management over them so as to promote the transformation of scientific and technological results and to turn these results into productive forces. [passage omitted]

5. Efforts should be made to encourage the state-run large and medium-sized enterprises to "draw themselves close to enterprises with practical strength, to the coastal areas with developed markets and economy in southeast China, to the export-oriented enterprise groups, and to foreign enterprises"; shift their operation mechanism; and accelerate their pace in the reform of entering the market economy. [passage omitted]

6. Efforts should be made to earnestly study and deal with the problems cropping up in rural areas and agriculture and encountered by peasants. [passage omitted]

Lastly, Yue Qifeng delivered an important speech at the gathering, in which he summarized what they had learned in the study and made a sound and systematic analysis over the importance, favorable conditions, and the difficulties in quadrupling the province's gross national product by the end of this century. Meanwhile, he made an exposition on opening the second battlefield of economic development from the angle of integrating theories with practice. He pointed out: Actively opening the second battlefield while successfully grasping the main battlefield of large-scale industries and agriculture is in conformity with the province's reality and with the theory put forward by Comrade Deng Xiaoping with regard to the initial stage of socialism. Practice has shown that those who have succeeded in opening the second battlefield will achieve rapid economic development, otherwise, they will be slow in development or lag behind. Opening the second battlefield can be regarded as a fundamental strategic policy decision for the province to accelerate its development and to realize the quadruple of its gross national product. He pointed out: Opening the second battlefield of economic development not only means to open new economic growing points such as nonstate-run enterprises but also, in a certain sense, means to have the state-run large and medium-sized enterprises take up the tasks of conducting reform, carrying out technical renovations and grafting, and conducting readjustment and vitalization. We should not comprehend the task of opening the second battlefield in a narrow sense and neither set industries, agriculture, large-scale industries, small-scale industries, the state-run enterprises, and nonstate-run enterprises against one another in the relation of mutual complement in strong points and in the relation of common development.

Comrade Yue Qifeng also voiced his opinions on the issue of how to successfully implement the trains of thought in the economic work. He stated: The key to grasping the implementation in this regard lies in grasping leading bodies, departments, prefectures, cities, counties, and cadres. "After defining the political line, cadres will become decisive factors in implementing it." It is imperative to earnestly deal with the problems concerning "sluggardness, flabbiness, and lack of unity"; "intermediate obstruction"; and "the higher authorities being governed by their lower subordinate officials." "Having more personnel change their minds and conducting few personnel changes," stabilizing the whole situation, and carrying out small-scale personnel readjustment, which have been stressed by us, are aimed at educating cadres, upgrading their quality, and encouraging them to emancipate and change their minds. However, it does not mean that we will not conduct personnel readjustment and changes. We must readjust few personnel who have upheld their out-dated concepts, engaged in intermediate obstruction, created obstacles, and hindered the implementation of the party's basic line; as well as those who have committed serious mistakes of seeking personal gains by taking advantage of power and who have not devoted themselves to work. Only by so doing can we foster what is right and put our fixed economic development strategy into effect.

Comrade Tian Fengshan also delivered a speech at the study gathering on the notice of some important issues raised during the gathering and on the demands for implementing these issues.

#### **Liaoning Secretary on Newspaper's Work**

SK1709021394 Shenyang LIAONING RIBAO in Chinese 2 Sep 94 pp 1, 2

[Speech by Gu Jinchi, secretary of Liaoning Provincial CPC Committee, given at 1 September rally to mark 40th anniversary of publication of LIAONING RIBAO: "Persist in Correct Guidance of the Media and Strive To Make LIAONING RIBAO Successful"]

[Text] Comrades:

Today marks the happy occasion of the 40th anniversary of the publication of LIAONING RIBAO. On behalf of the provincial party committee and government, I extend heartfelt congratulation to LIAONING RIBAO, cordial greetings to all its staff members and workers, and sincere respect to its former personnel and friends from all walks of life who have come to attend the celebration.

LIAONING RIBAO is the official newspaper of the Liaoning Provincial CPC Committee and an important component of Liaoning's propaganda and media fronts. It has played an important guiding role in the socialist revolution and socialist construction and made important contributions to the propaganda and ideological fronts over the past 40 years. In the fifties and sixties,

LIAONING RIBAO conscientiously publicized the party's line, principles, and policies and, throbbing with the pulse of the times, vigorously publicized the great achievements and fresh experiences in socialist revolution and socialist construction, thus playing an important role in the construction and development of Liaoning's undertakings. In particular, it made prominent contributions to advocating the spirit of the times and fostering advanced examples. It gave publicity to the heroic and model persons who represented the trends of the times and exerted a tremendous influence in the country, such as Meng Tai, Lei Feng, and Wang Chonglun. These heroic and model persons are still respected by the people. Since the third plenary session of the 11th party Central Committee, our party's propaganda and ideological work has entered a new period, and LIAONING RIBAO has taken on a new look. Over the past 15 years, LIAONING RIBAO has made new contributions to publicizing the line, principles, and policies laid down since the third plenary session of the 11th party Central Committee, publicizing the reform, opening up, and development of Liaoning's various fronts, and publicizing Liaoning's two civilizations. Meanwhile, under the leadership of its party committee and editorial board, it has also conducted positive and fruitful exploration on press reform, and some of its reports and work have exerted a good influence on the press circles of the country. Over the past 10-odd years, LIAONING RIBAO has not only achieved fruitful results in the propaganda through the press, but it has also achieved great development in its various undertakings. These work achievements were the result of the correct leadership of its party committee and editorial board, the crystallization of the diligent work of its generation upon generation of personnel, the fruit of the active efforts of all its staff members and workers, and the vivid manifestation of its flourishing undertakings.

Today when we are gathering here to celebrate the 40th anniversary of the publication of LIAONING RIBAO and share its achievements, we should all the more clarify our responsibility and future tasks. Newspapers are an important medium of the party and the mouthpiece of the party and the people. Propaganda departments and the media shoulder important tasks in the new situation.

They need to publicize the party's theories, line, principles, and policies more intensively and extensively so that the masses will understand and master them; they need to provide people easy to understand convincing explanations on the series of new measures adopted by the party and the government to promote reform; they need to summarize and disseminate in a timely manner the new experiences created by the masses; they need to greatly praise and publicize the advanced persons emerging on all fronts and their noble spirit; they need to try to satisfy the people's ever growing spiritual and cultural needs; they need to conscientiously study and provide answers to the many questions arising in the course of practice; they need to solve through persuasion

the many problems in thinking and understanding arising due to the adjustment of interests in the process of reform; and they need to give guidance to overcome the negative tendencies in social life. In short, in carrying out propaganda and media work in the new period, we should do as Comrade Jiang Zemin urged us to—arming the people with scientific theories, guiding them with correct public opinion, molding them with noble spirit, and encouraging them with outstanding works—so that the work can play an effective role as an ideological guarantee and media support in the great undertaking of building socialism with Chinese characteristics.

Comrades on the propaganda and media fronts are faced with very heavy tasks in the new period. Following the establishment of the socialist market economy system, propaganda and media work is also faced with many new conditions and new issues. For this reason, comrades on the propaganda and media fronts should fully understand the special nature and importance of their work, enhance the sense of responsibility and mission, carry forward the spirit of creation, and actively shoulder the heavy tasks entrusted them by the party and the people. Here, I will speak on several opinions, which are also the expectations on you comrades.

1. In the propaganda through newspapers, we should take Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics as the basic guiding principle for propaganda and reports. Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics is a product of the combination of the fundamental tenets of Marxism-Leninism with the reality the contemporary China and the characteristics of the era; the inheritance and development of Mao Zedong Thought; the Marxism of the contemporary China; and a powerful ideological weapon guiding us to realize socialist modernization. The propaganda and media fronts should firmly take this theory as the guiding principle and persistently use it to guide all their work. Only in this way, can they guarantee the correct orientation of propaganda work and the smooth accomplishment of their tasks. To fulfill such a great and arduous task, all newspaper personnel are required to study more actively and intensively Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and adhere to the party's basic line consisting of "one central task and two basic points." They should "study, study, and study again" as required by Comrade Jiang Zemin, study conscientiously in line with the specific conditions in their own work and thinking, and continuously improve their Marxist level. Only when our comrades engaged in propaganda work have studied well, can our newspaper become more successful; develop its advantages still better as the party newspaper with higher ideological level, capable of giving guidance, and being authoritative; and play a better role as the mouthpiece.

2. In the propaganda through newspapers, we should have an accurate command of the trend of public



opinion and give good guidance to it. As the official newspaper of the provincial party committee, LIAONING RIBAO shoulders heavy tasks to publicize the party's line, principles, and policies as well as the major principles of the provincial party committee and government. It serves as the bridge linking the provincial party committee and government with the grass-roots levels and the masses and a major channel through which higher and lower levels are informed of each other's conditions. Therefore, LIAONING RIBAO should comprehensively and accurately publicize the party's line, principles, and policies; uphold unity, stability, inspiration, and propaganda through positive examples; and persist in materialist dialectics, guard against lopsidedness, have a good command of the "extent" of propaganda, and maintain the continuity and stability of the keynote of propaganda. It should have a good grip of the priorities of propaganda, give prominence to the main theme, and give wide publicity to Liaoning's achievements and experiences in reform and opening up and the advanced examples on all fronts so as to develop healthy trends and encourage the people. It should have the courage to touch the hot issues and difficulties in social life and should also have the ability to give guidance. It should attach importance to the supervisory role of the media and report the masses' opinions, criticisms, and suggestions in a timely manner. Supervision by the media should be aimed at helping the party and the government improve work, address problems, promote unity, and maintain stability. By giving correct guidance to public opinion, LIAONING RIBAO should provide a good environment of public opinion for Liaoning's reform, opening up, and modernization drive.

3. Propaganda and media fronts should serve economic construction still better and conscientiously publicize economic construction, reform, and opening up. Economic construction is the central task of the entire party, and propaganda and media fronts should serve and gear their work to the needs of this central task. They should comprehensively publicize implementation of the guidelines of the 14th party congress and the third plenary session of the 14th party Central Committee, and publicize the general task for the entire party, which is "seizing the opportunity, deepening reform, opening wider, and maintaining stability." In line with the specific conditions in Liaoning's work, they should widely publicize the efforts in seizing the opportunity to expedite reform, opening up, and the modernization drive, to accelerate establishment of the socialist market economy system, and to promote sustained, rapid, and healthy economic development. They should actively publicize the efforts in developing the rural economy, in improving state-owned large and medium-sized enterprises, and in carrying out the "second pioneering program." Liaoning faces heavier reform and development tasks this year. All its major reform measures should be actively, steadily, comprehensively, and accurately publicized so that people across the province will understand better and support the establishment of the socialist

market economy system. Publicity to the achievements in reform and construction should be conducted more intensively, and good examples and good experiences in reform summarized and publicized. Study should be conducted conscientiously, and positive guidance given in handling the new conditions and new problems cropping up in the process of reform. Publicity should be given to the efforts in correctly handling the relationship between reform, development, and stability; in taking the overall situation into consideration and serving its needs; and in guiding, protecting, and developing well the enthusiasm of cadres and the masses.

4. We should build a press contingent that is politically strong and professionally proficient and that has an upright work style. Building a good-quality press contingent is the fundamental work to make newspapers successful. In doing this work, we should put in the first place the study of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics in order to fundamentally upgrade the political quality of all newspaper personnel. Meanwhile, we should also organize newspaper personnel to study economic knowledge, scientific and technological knowledge, and professional knowledge to meet the needs in the new situation of reform and opening up, so that their propaganda and reports will become more accurate, more comprehensive, more suitable to needs, of higher ideological level, and more readable. Newspaper personnel should be encouraged to establish a work style that is serious in political affairs, strict in enforcing discipline, meticulous in doing work, and conscientious in work attitude, and that seeks practical results and oppose formalism. We should step up efforts to improve the professional level and moral characters of all newspaper personnel, establish strict standards for professional ethics, oppose corruption, advocate honesty, and prohibit paid newspaper reports. Editors and reporters should be greatly encouraged to conduct investigation and study and to go down to the grass-roots level, to the masses, and to the reality of life, so that a press contingent, that is politically competent, ideologically qualified, and combat effective and that has a good work style, and a group of well-known editors and reports, who enjoy high prestige among the masses, can be brought up. In this way, our press contingent and our newspaper will all become first-rate. I wish LIAONING RIBAO increasing prosperity.

#### **ADB Funds Water Supply Project in Liaoning Province**

*OW2109062794 Beijing XINHUA in English 0617  
GMT 21 Sep 94*

[Text] Manila, September 21 (XINHUA)—The Asian Development Bank (ADB) today approved a loan of 160 million U.S. dollars to China to improve water supply of Dalian municipality of Liaoning Province, northeast of China.

According to the Manila-based bank, the loan represents ADB's first involvement in China's water supply sector.

The project will involve the construction of a 68-km gravity conduit connecting two reservoirs with a capacity to convey 1.3 million cubic meters of raw water daily.

New facilities to be built under the project also include two pumping stations; two pressurized pipelines, 94 km and 79 km long, respectively, with a combined daily capacity of 1,200,000 cubic meters; and two water treatment plants with capacities of 150,000 and 180,000 cubic meters per day, respectively.

In addition, 140 km of new distribution mains will be laid, 36 km of old lines will be replaced and eight storage tanks will be constructed.

The ADB today also approved a technical assistance grant of 746,000 U.S. dollars to China to improve and stabilize the country's northern grassland ecosystems.

Research under the technical assistance will be conducted at two sites on the fringes of the Horqin Desert in the northern part of China: One in Hexigten Qi in the Inner Mongolia Autonomous Region and the other in Zhangwu county in Liaoning Province.

### Northwest Region

#### Gansu Scores Achievements in Environmental Protection

OW1909155894 Beijing XINHUA in English 1516 GMT 19 Sep 94

[Text] Lanzhou, September 19 (XINHUA)—Air in the urban areas is becoming clearer, the desert is retreating and the barren Loess Plateau is being effectively protected by clusters of shelterbelts.

This is all part of the achievements scored by northwest China's Gansu Province in environmental protection over the past decade.

In the past Gansu suffered from severe pollution caused by such heavy industries as nonferrous metals, metallurgy, petrochemicals and power.

The inland province also incorporates a large area of desert and the dry Loess Plateau that suffered from severe erosion.

However, years of efforts have virtually changed this situation.

The Hexi Corridor, in the northwest of Gansu, where three million ha [hectares] of desert used to threaten farmland, has been developed into a green corridor.

A 1,200-km-long shelterbelt has been planted there, which helped restore some 26,000 ha of farmland and curbed the invasion of 187,000 ha of shifting sand. A total of 1,400 villages have been saved from the fate of being buried by the shifting sand.

In addition, the corridor has become the largest granary in the province, yielding more than 70 percent of its commodity grain and 40 percent of fruits each year.

Dingxi County, in the central part of the province, suffered from serious erosion that topped 18 million tons annually before 1983. Local residents have transformed 63,000 ha of barren land into terraced fields, and planted 373,000 ha of trees and 579,000 ha of grass.

Some 57 percent of the area suffering from erosion in the Longnan Prefecture has been harnessed, as a result of massive government funding during the past few years. Hundreds of mud-rock flows and landslides hit the prefecture before 1988.

This capital of Gansu spent 1.3 billion yuan developing its "blue sky" project. As a consequence, floating dust has been reduced by 40 percent in winter.

A total of 387 million yuan has been spent on infrastructure facilities and new technology to improve environmental conditions in the past decade. More than 3,300 pollution-control projects have been completed.

#### Nationalities Institute Founded in Ningxia

OW1609155494 Beijing XINHUA in English 1455 GMT 16 Sep 94

[Text] Yinchuan, September 16 (XINHUA)—A nationalities institute was founded Thursday [16 September] in this capital city of northwest China's Ningxia Hui (Moslem) Autonomous Region.

The Northwest Second Institute for Nationalities aims to foster managers and other professional personnel for people mainly of the Hui, Uygur and Mongol national minorities, who live in the western part of the country.

The institute, after a decade of preparations, now has eight departments and 11 majors, which are in great demand in the northwest, which has abundant natural resources but lacks professional expertise.

The courses include Chinese language, law, economic management, electrical technology, computer science, industrial automation and energy exploration.

The students in the institute now number 3,700.

#### Industrial, Commercial Bank Assists Qinghai Enterprises

HK1909152494 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 3 Sep 94

[Excerpt] The branches and sub-branches of the Industrial and Commercial Bank at all levels in this province organized special groups to visit enterprises, and to help them overcome the shortage of working funds and other financial difficulties. By the end of June, they had offered a total of 85 million yuan in loans to 32 key enterprises. Through the joint efforts by the banks and the enterprises, the 32 key enterprises produced nearly

200 million yuan of output value, earned sales income of over 200 million yuan, which increased by a wide margin over the same period last year. [passage omitted]

#### **Xian Trade Fair Ends in Shaanxi Province**

*OW1709165794 Beijing XINHUA in English 1556  
GMT 17 Sep 94*

[Text] Xian, September 17 (XINHUA)—This year's Xian Investment and Trade Fair ended today after clinching 165 investment projects worth 506 million U.S. dollars in contracted investment and another 100 agreements with a promised investment of 472 million U.S. dollars.

The week-long fair, with Chambers of Commerce in Hong Kong, Singapore, the U.S., Canada and Japan as its co-sponsors, was attended by 1,100 businessmen from 42 countries and regions.

According to an official in charge of the fair, most of the investment contracts inked during the fair involved production projects. About 122 production projects were signed with foreign investors, involving a total investment of 297 million U.S. dollars, making up 75 percent of the total amount.

#### **Private Business Booming in Xinjiang**

*OW1809012994 Beijing XINHUA in English 0051  
GMT 18 Sep 94*

[Text] Urumqi, September 18 (XINHUA)—The number of self-employed people and private business owners in northwest China's Xinjiang Uygur Autonomous Region has reached 400,000, who produce a total annual output value of two billion yuan, according to the regional administration of industry and commerce.

With minority ethnic groups dominating the population, Xinjiang had virtually no private businesses a dozen years ago. However, the reform and open policy adopted across China from the late 1970s has encouraged people to go in for industrial and commercial businesses.

Now people of various minority ethnic groups operate half of the region's private businesses and over half of the employees in these enterprises are people from ethnic minorities, according to the regional administration.

An official from the administration said that most such businesses are engaged in construction, transportation, and the processing of farm and sideline products. Some businessmen from ethnic minorities are also working in such trades as real estate and advertising.

According to the official, some of the enterprises produce up to ten million yuan in output value a year each. Some employ over 1,000 people.

The region has a total of 100 private enterprises, whose registered capital is more than one million yuan each.



**Editorial Urges Japan To Deny Hsu Li-te Entry**

HK2109095494 Hong Kong WEN WEI PO in Chinese  
21 Sep 94 p A2

[Editorial: "The Japanese Government Must Stop Hsu Li-te From 'Doing One Thing Under Cover of Another'"]

[Text] The Taiwan authorities have taken the opportunity of attending the Hiroshima Asian Games to stage the farce of "two Chinas" or "one China, one Taiwan." After Li Teng-hui's vain attempt to visit Japan in the capacity of a "head of state" in an imposing manner, Taiwan tried again to disguise Hsu Li-te, vice president of the Executive Yuan, as a "sports official" in order to squeeze into the Hiroshima Asian Games. This trick of "pretending to go along one path while secretly going along another" has exposed Taiwan's premeditated act of unscrupulously interfering in sports with politics and turning a playing field into a political arena. The Japanese Government should instantly guard against the conspiracy of the Taiwan authorities and prevent Hsu Li-te from entering its country so as to guarantee that the Hiroshima Asian Games and Sino-Japanese relations are not seriously damaged.

According to a report in Taiwan's SHIHCHIEH LUNTAN PAO on 17 September, after his "vacation diplomacy" and "intercontinental diplomacy" in spring this year, Li Teng-hui openly claimed that he would visit some major countries including Japan and the United States in the same manner with a view to breaking through the diplomatic isolation. Just at the end of last June, when al-Hamud, chairman of the Asian Olympic Committee, who is of Kuwaiti origin, visited Taiwan, Chang Feng-hsu, chairman of the Taipei Olympic Committee, thought it a golden opportunity that could not be lost. Then, he and Li Teng-hui began to hatch the plot of Li Teng-hui's "visit to Japan to attend the opening ceremony of the Asian Games." SHIHCHIEH LUNTAN PAO called this "a wise move in an underhand attempt to reverse the course of events." The Asian Olympic Committee issued a statement on 12 September withdrawing its previous invitation to Li Teng-hui. Afterward, Li doubled his efforts by expressing his willingness to visit Japan "under any name," while impatiently dishing out the trick of sending Executive Yuan Vice President Hsu Li-te to visit Japan in his stead. This maneuver is aimed at what Li Teng-hui himself admitted: "Whether I go or not does not matter much, because our key point is to let people know about the 'existence of the Republic of China in Taiwan.'" This explains that there is no difference between Li Teng-hui and Hsu Li-te in their tour of Hiroshima, as the nature of taking advantage of the Asian Games to create "two Chinas" or "one China, one Taiwan" is equally serious. It is regrettable that the disguised Hsu Li-te was issued an entry document by the organizational committee of the Hiroshima Asian Games. The games will kick off very soon, so time is pressing, and the issue is grim.

Therefore, the Japanese Government should make a wise decision to prevent Hsu Li-te from entering its country so that the intrigue of the Taiwan authorities will be foiled.

The fact that the Taiwan authorities have disguised Hsu Li-te as "chairman of the 2002 Asian Games Bid Committee" is an untenable pretext because not only will the issue of the right to bid for the 2002 Asian Games be discussed neither during the Hiroshima Asian Games nor at a meeting of the Olympic Council of Asia to be held afterward, but, more importantly, according to the regulations of the Asian Olympic Committee, Taiwan, as a local region, is not qualified, politically and technically, to make such a bid.

It is thus clear that "chairman of the bid committee" is only a pretext coined by the Taiwan authorities to cover up the real motive of launching their "sports diplomacy." This is not an individual case but a variation of their "substantive diplomacy" and "down-to-earth diplomacy." Taiwan considers the current "sports diplomacy" an "excellent opportunity" to "break its diplomatic predicament" as well as an "attempt to improve the state image, return to the international arena, and expand its external space." These confessions very clearly lay bare the fact that both Li Teng-hui and Hsu Li-te have "ulterior motives" in trying every possible means to attend the Asian Games in Hiroshima, that is, they want to create "two Chinas" or "one China, one Taiwan." However, this plot can never succeed. The PRC Government, as the only legitimate Chinese Government, has the right as well as the obligation to exercise state sovereignty on behalf of all parts of China in international organizations, such as the Asian Games. Since the Olympiad pattern has been adopted by the Asian Games and it has been stipulated that Taiwan cannot represent China but can only enter the games in the capacity of the "Chinese Taipei" region, what Taiwan is aiming at by sending such people as Hsu Li-te, who is also "vice premier of the Executive Yuan," to the Asian Games is precisely to accomplish the plot of creating "two Chinas" in the disguised form of "one country, two seats." The so-called "return to the international arena" and "expanding the space," as advocated by the Taiwan authorities, precisely refers to the attempt to "return to the United Nations" and accede to various international organizations in the name of a "state." However, with the adoption of UN Resolution 2758 in 1971, "representatives" of the Taiwan authorities and of all subsidiary bodies were expelled from the United Nations and the PRC's legitimate membership was reinstated, so the issue of the Taiwan authorities' "return to the United Nations" simply does not exist. Moreover, Taiwan is not, in principle, entitled to enter other intergovernmental international organizations. As for nongovernmental international bodies, as long as China has reached an agreement or understanding with the authorities concerned and its national organizations have entered the relevant bodies on China's behalf, Taiwan's corresponding groups can accede to those

bodies under the title of "Chinese Taipei" or "Taiwan of China." It can be said that Taiwan has been given enough "international space." However, what the Taiwan authorities want is the space for a "country's founding" and "independence," and this is precisely the motive of Hsu Li-te's "trip to Hiroshima."

This is a move against the international trend and the aspirations of the Chinese nation. More than 150 countries have established diplomatic relations with China and the international community will only recognize one

China, while the Chinese nation will never allow any moves which split the country. Hence, in order to uphold the UN resolution and the principle of the Sino-Japanese Joint Declaration and to ensure the smooth progress of the Asian Games in Hiroshima, the Japanese Government should take resolute measures to stop Hsu Li-te from entering its territory to "do one thing under cover of another." Otherwise, the Japanese Government must be held responsible for everything which arises.

**Beijing Envoy Asks Tokyo To Revoke Hsu's Invite***OW2009142994 Taipei CNA in English 1352 GMT  
20 Sep 94*

[By F.M. Chang and Debbie Kuo]

[Text] Tokyo, Sept. 20 (CNA)—Beijing's Ambassador to Tokyo, Xu Dunxin, on Tuesday [20 September] asked the Japanese Government to revoke the invitation to Republic of China (ROC) Vice Premier Hsu Li-teh to attend the XII Asian Games, which are slated to open Oct. 2 in Hiroshima.

Hsu received his invitation to the games from Republic of China Olympic Committee chairman Chang Feng-shu. Each national Olympic Committee chairman is entitled, by Olympic Council of Asia (OCA) rules, to invite to the games three dignitaries as committee representatives.

During a meeting with Japanese Foreign Affairs Minister Yohei Kono, the Beijing envoy said Hsu's attendance implies "political intentions," and that if the Japanese Government does not cancel the invitation in time, "it will be detrimental to Beijing-Tokyo relations."

Kono turned down Xu's request, however, saying that Tokyo would welcome Hsu and ROC Education Minister Kuo Wei-fan as representatives of the ROC Olympic Committee. He added that Tokyo "will not alter the decision."

The SANKEI SHIMBUN reported Friday that Prime Minister Tomiichi Murayama had told the OCA that all Olympic Committee representatives from all OCA countries would be welcome at the games.

Meanwhile in Taipei, Vice Premier Hsu told the press Tuesday afternoon that he will attend the games as scheduled. He said he will lobby support for Taiwan's bid to host the 2002 Asian Games during his stay in Hiroshima.

**Formation of Procurement Council Suggested***OW2109094094 Taipei CNA in English 0756 GMT  
21 Sep 94*

[By Debbie Kuo]

[Text] Taipei, Sept. 21 (CNA)—Taiwan's government procurement policy must be overhauled if the country is determined to enter the General Agreement on Tariffs and Trade (GATT), an economic planning official said Wednesday [21 September].

Hsueh Chi, vice chairman of the Council for Economic Planning and Development (CEPD), said the overhaul should at least include revision of current government procurement regulations and establishment of a government procurement council to handle procurement projects launched by the government.

Hsueh suggested that a government procurement council be established directly under the Executive Yuan as a cabinet-level agency.

A procurement bureau under the council would handle financial- and manpower-related procurement projects. A public engineering committee would be responsible for public engineering procurement, and a military procurement bureau would take care of military purchases.

**Li Expects World Watchdogs To Boost Democracy***OW2109094194 Taipei CNA in English 0753 GMT  
21 Sep 94*

[By Debbie Kuo]

[Text] Taipei, Sept. 21 (CNA)—President Li Teng-hui Wednesday [21 September] urged the world ombudsmen community to help seek democracy, secure human rights and to boost world peace when they play their watchdog roles.

Li lauded the contributions of ombudsman systems worldwide and praised them for playing important and counteracting roles in governments of various countries.

Ombudsmanship is a showcase of democratic politics, Li said, as it upholds the principle that the power rests with the people and the people have legal recourse to check the government.

With its functions of investigation, policing and impeachment, ombudsmanship is a practice designed to prevent government from abusing its administrative power and infringing on basic human rights, Li said.

Li said Chinese are well acquainted with ombudsmanship as they initiated the watchdog system more than 2,000 years ago.

Li made the remarks during a speech opening the international ombudsmen institute (IOI) conference 1994 Wednesday [21 September] morning at the National Central Library in Taipei.

More than 40 delegates from 23 nations are participating in the four-day meeting, the first ever held in Taiwan.

Taiwan became an IOI member in August this year despite protests by Beijing.

**News Agency Head Urges Improved Media Climate***OW2109093694 Taipei CNA in English 0801 GMT  
21 Sep 94*

[By Chang Lung and Danielle Yang]

[Text] Xian, Sept. 21 (CNA)—Taiwan media group leader and CENTRAL NEWS AGENCY President Shih



Kermin urged Beijing to remove restrictions on visiting Taiwan media to promote cross-Taiwan Strait journalist exchanges.

Shih made the remarks before leaving Xian Tuesday [20 September]. He noted that his delegation was the first group of Taiwan's senior mass media executives to visit the mainland, but the visit was not ideal.

Shih said Beijing should respect Taiwan's mass media first and then both sides can talk about cross-Taiwan Strait interflow.

Commenting on Beijing's recent pressure on the United Nations, resulting in the expulsion of Taiwan correspondents there, Shih criticized Beijing for disregarding world press freedom.

During the initial stage for cross-Taiwan Strait news exchanges, Mainland China's move and remarks not only destroyed the friendly atmosphere but also showed lack of respect for Taiwan's mass media, Shih concluded.

Meanwhile, Director-General of Taiwan's Government Information Office Jason Hu said in New York that he supported the decision to cut short the Mainland Chinese visit by Taiwan's media group. Hu is visiting New York to lobby for Taiwan's entry into the United Nations.

Shih and the media group decided to cut short their 10-day Mainland Chinese visit to protest against unfriendly remarks made by Tang Shubei, vice chairman of the Association for Relations Across the Taiwan Strait (ARATS). Shih and his group will return to Taiwan Tuesday night.

### Lee Kuan Yew's Taipei Visit Previewed

OW/2109093594 Taipei CNA in English 0744 GMT  
21 Sep 94

[By Debbie Kuo]

[Text] Taipei, Sept. 21 (CNA)—Singapore Senior Minister Li Kuan Yew is flying into Taipei Wednesday [21 September] afternoon for a three-day visit.

This will be Li's first "vacation" tour of Taiwan this year and the 20th in recent years.

Taiwan and Singapore do not maintain official diplomatic relations but have developed close ties through pragmatic "vacation diplomacy," according to foreign affairs observers here.

Li's visit here will mark another round of meetings between high-ranking Taiwan and Singaporean officials and follows President Li Teng-hui's stop-over in Singapore in May. Li was met at the airport by Prime Minister Goh Chok Tong when he visited the city-state on his way home from a trip to South Africa.

Sources said that Singaporean officials are lobbying Asia-Pacific Economic Cooperation (APEC) forum nations to invite President Li Teng-hui to attend an APEC leaders meeting slated for November in Indonesia.

Singapore, which was the venue for historic semi-official talks between the two sides of the Taiwan Strait in April 1993, has good ties with both Taiwan and the Chinese mainland.

## Hong Kong

### Zhou Nan Says UK Violates Joint Declaration

OW2009125594 Beijing XINHUA in English 1238  
GMT 20 Sep 94

[Text] Hong Kong, September 20 (XINHUA)—A senior Chinese official here today accused Britain of violating the Sino-British Joint Declaration and created man-made snags for the smooth transition in Hong Kong.

Zhou Nan, director of XINHUA NEWS AGENCY Hong Kong branch, made the point while delivering a speech in commemoration of the 10th anniversary of the initialing of the Sino-British Joint Declaration.

He reiterated the position of the Chinese side that the three-tier government structure based on the political reform bills of the British side in the territory will be dismantled by July 1, 1997.

He said that the Chinese side is determined to remove all obstacles and safeguard the Sino-British Joint Declaration.

The Sino-British Joint Declaration was initialled on September 26, 1984 after two years of negotiations in the spirit of mutual understanding and accommodation between the two countries, said Zhou who himself had participated in the historical event.

According to the declaration, the Chinese Government will resume its sovereignty over Hong Kong on July 1, 1997 and the "one country, two systems" policy, based on the idea originated by Deng Xiaoping, will be implemented in the territory.

The declaration also stipulates that both Chinese and British sides should cooperate closely over issues occurring during the transitional period so as to ensure a smooth transition in the territory.

The resolution of the Hong Kong issue which was left over from history through peaceful negotiations is conducive to the long-term stability and prosperity and in the best interest of China and Britain, Zhou said.

Therefore, the declaration, once promulgated, was warmly received and highly praised by the international community including then the top British officials such as Margaret Thatcher, he said.

The Chinese people including Hong Kong compatriots were also very much encouraged and happy with the promulgation of the joint declaration, he said.

During the first half of the transitional period, which approximately refers to the time before 1989, the implementation of the joint declaration was generally good, said Zhou, adding that the two sides had maintained a cooperative relationship in settling many important and complicated issues.

The Sino-British Joint Liaison Group and the Sino-British Joint Land Commission had made lots of significant achievements in their work, he said.

However, the British side had changed its policy towards China in recent years, especially since 1992, based on its wrong estimation of the situation, said Zhou.

The British side backpedalled from the position of the joint declaration by pushing ahead its political reform bills despite the repeated admonitions of the Chinese side and objections from the vast majority of the Hong Kong people, he said.

The political reform bills first introduced by Hong Kong Governor Chris Patten in late 1992 seriously violated the Sino-British Joint Declaration, the Basic Law of the future Hong Kong Special Administrative Region and the agreements and understandings reached between the two countries and created man-made obstacles to the smooth transition in Hong Kong, he added.

Zhou reiterated that China will firmly abide by the joint declaration and the basic law no matter what happens in the future, adding that the "one country, two systems" policy will surely be implemented in Hong Kong and the future of the territory will be very bright.

### Britain Urges Progress on 1997 Transition Issues

HK2109063694 Hong Kong EASTERN EXPRESS in  
English 21 Sep 94 p 2

[By Rain Ren in Beijing]

[Text] Britain has put a written proposal to China urging progress in the protracted negotiations on the 1997 transfer of sovereignty.

The document was handed to Chinese negotiators of the Sino-British Joint Liaison Group (JLG) yesterday on the first of a three-day session in Beijing.

The proposal, still being considered by China, contains about seven points detailing how Britain believes the volume of work can be dealt with before 1997.

Britain has become increasingly anxious that a number of crucial transitional issues will not be resolved by 1997, hindering a smooth transition to mainland rule.

Fears were exacerbated last week when China refused to approve the franchise for Hong Kong's ninth container terminal (CT9) unless the British hong, Jardines, withdrew from the consortium developing the project.

China believes Britain awarded the contract to Jardines as a reward for its support of the political reform agenda implemented by the Governor, Chris Patten.

Sources in Beijing said Britain's proposal for accelerated progress by the JLG accompanied an angry counter-attack by British negotiators over China's stance on CT9.

British JLG team leader, Hugh Davies, had reacted strongly to the statement issued by China last week which attacked the Government's decision to award the CT9 contract to Jardines.

Davies had told Chinese negotiators it was dangerous to introduce political criteria into commercial decisions.

He renewed pleas for China to separate economic cooperation from the political reform row.

Chinese JLG negotiators did not respond to Davies's argument on CT9.

After the meeting, Davies said the issue of CT9 needed further discussions.

"It is a very important subject," he said. "We have emphasised the importance of getting on with CT9."

Sino-British negotiators will continue discussions today on the proposals to accelerate progress on issues deadlocked by the political row.

In its proposal, Britain suggests that issues covered by the JLG's international rights and obligations (IRO) expert group, can be completed before the 1997 handover.

Sources close to the Chinese negotiators revealed that Britain had suggested that more expert groups, such as the IRO, be set up to deal with urgent issues including air service agreements, immigration, the Court of Final Appeal, and the Hong Kong government's old-age pension plan.

Britain had suggested that the two senior representatives also meet between JLG plenary sessions.

It is understood that Britain wants more full sessions of the JLG instead of the present arrangement whereby they are required to meet three times a year.

China negotiators had told their British counterparts they would "earnestly study" the proposals. Davies, refusing to give details of the proposals, said he expected a response by the end of the three-day meeting tomorrow.

"Our position is that as we have less than three years (before the 1997 handover), we need to make progress.

"So we are looking for a constructive and positive way forward."

#### **Sino-British Group To Focus on Container Terminal**

HK2109053294 Beijing CHINA DAILY in English  
21 Sep 94 p 1

[By Ma Chenguang: "HK Talks To Focus on Disputed Container"]

[Text] The Sino-British Joint Liaison Group began probing a series of touchy issues, including Container Terminal 9 in Hong Kong, at its 30th meeting yesterday in Beijing.

The controversial multi-billion dollar terminal will be the most prominent issue during this three-day meeting, according to Guo Fengmin, senior Chinese representative.

The talks are expected to centre around 12 items on business, legal affairs and other political issues.

Both sides appeared optimistic prior to the meeting.

"We hope both sides will make efforts in exchanging views on all items on the agenda and make further progress," Guo said.

British representative H.L. Davies termed the talks as "an important discussion.

"Everyone on our side is determined to make new progress as well as we can," he added.

However, Guo declined to comment on whether the Container Terminal 9 will undergo new bidding.

The terminal row arose last week when the Hong Kong bureau of the China News Service questioned the qualifications of the Jardine Matheson Group to undertake the project, which is to become the world's largest container facility.

The agency accused the Jardine group, a trading company claiming to be "the core" of HK wealth, of winning the port project because of political favouritism.

Meanwhile, in Hong Kong, a senior official accused Britain of violating the joint declaration and creating man-made snags for the smooth transition.

Zhou Nan, director of Xinhua News Agency Hong Kong branch, made the point while delivering a speech commemorating the 10th anniversary of the Sino-British Joint Declaration.

He reiterated China's position that the three-tier government based on the British political reform bills in Hong Kong will be dismantled by July 1, 1997.

The last JLG meeting was held in Hong Kong in late June.

The bilateral commission was set up by the 1984 Joint Declaration to ensure a smooth transfer of power in 1997.

Since 1989, it has achieved two significant results—the 1991 agreement on HK's court of final appeal and the military base agreement in June.

Major items on this week's agenda include: Hong Kong's air service agreement; franchises and contracts extending beyond 1997 and related matters; extradition of fugitives; agreements between Hong Kong and other nations



or regions, localization of laws; implementing provisions in the Joint Declaration relating to the right to live in Hong Kong after 1997.

He said that the Chinese side is determined to remove all obstacles and safeguard the Sino-British Joint Declaration.

The joint declaration was initiated on September 26, 1984 after two years of negotiations in the spirit of mutual understanding and accommodation between the two countries, said Zhou who himself had participated in the historical event.

According to the declaration, the Chinese Government will resume its sovereignty over Hong Kong on July 1, 1997 and the "one country, two systems" policy, based on the idea originated by Deng Xiaoping, will be implemented in the territory.

#### **Authorities Succeed in Removing Vietnamese**

*HK2109063494 Hong Kong EASTERN EXPRESS in English 21 Sep p 1*

[By Rachel Clarke]

[Text] Hundreds of police and prison officers stormed High Island detention centre yesterday and seized 21 boat people who will be deported this week.

More than 100 Vietnamese men, women and children were injured during fights with police and prison officers during the operation, which was part of what the Government calls its "orderly return programme".

The boat people clashed repeatedly with officers in riot gear as huts were raided and the Vietnamese tried to stop officers reaching the people facing deportation.

Several people were hit with batons before being dragged away.

The operation ended shortly before 5pm when prison officers used aircraft steps from Kai Tak airport to grab the remaining five men and six women who were protesting on a roof.

The deputy secretary for security, Ken Woodhouse, said: "We did what we said we would do. We would try our utmost to do this operation as peacefully as possible.

"My colleagues in the Correctional Services and the police force clearly and very visibly demonstrated their patience and their tolerance and their professionalism. I would certainly like to congratulate them on the operation."

The police clapped and cheered at the end of the operation and played music through loudspeakers on the front truck as their convoy withdrew.

Last Friday it was announced that 82 people would be sent back to Vietnam and force would be used if they did not go to Victoria Prison for final immigration processing.

By yesterday, 21 had still refused to go, despite counselling by CSD [Correctional Services Department] officers and the use of teargas on Monday.

Last night 165 Vietnamese had received medical attention, of whom 59 were found to have no injuries. Three people were in hospital last night, including two who had slashed themselves.

Seven complaints were made by the Vietnamese, six alleging assault.

In April, the same people were the target of teargas attacks during a controversial dawn raid on the Whitehead camp.

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